

REDEVELOPMENT PROJECT NO. 1-A

PREPARED MAY 1950 BY

BALTIMORE REDEVELOPMENT COMMISSION

C O N T E N T S

	Page
LETTER FROM MAYOR TO CITY COUNCIL	1
LETTER FROM REDEVELOPMENT COMMISSION TO MAYOR	2
LETTER FROM REDEVELOPER TO REDEVELOPMENT COMMISSION	3
PROJECT BACKGROUND AND DESCRIPTION	4
PRESENT CONDITIONS IN THE PROJECT AREA	6
DESCRIPTION OF THE PROPOSED DEVELOPMENT	7
COMPARISON OF PRESENT AND PROPOSED DEVELOPMENT	8
FINANCIAL SUMMARY	9

ILLUSTRATIONS

	Facing Page
SOME EXISTING CONDITIONS	1
LOCATION MAP AND VIEWS OF THE AREA	4
EXISTING STRUCTURES AND USES	6
PROPOSED DEVELOPMENT	7
RIGHT OF WAY ADJUSTMENTS	8
USE ZONING ADJUSTMENTS	8
UTILITY ADJUSTMENTS - WATER	9
UTILITY ADJUSTMENTS - SEWERS	9

Prepared By

THE BALTIMORE REDEVELOPMENT COMMISSION

May 1950





THOMAS D'ALESSANDRO, JR.
MAYOR

May 29, 1950

Honorable President and
Members of the City Council
City Hall
Baltimore-2, Maryland

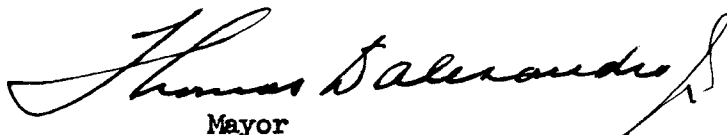
Gentlemen:

It is a pleasure to transmit herewith a report prepared by the Baltimore Redevelopment Commission on Redevelopment Project No. 1-A.

The Board of Estimates has carefully reviewed and has approved the contract concerning this project. This contract is the result of many months of exhaustive negotiation by the Redevelopment Commission, which has insisted upon provisions which should assure the City an outstanding civic improvement, and of careful legal drafting by the Law Department. As you know, this Administration has at all times done everything to encourage and support the Redevelopment Commission.

It is my sincere hope that the City Council will, after full and careful consideration, approve this project and pass the necessary implementing legislation so that Baltimore may maintain its position in the forefront of cities waging aggressive war on slums and blight.

Yours very truly,


Mayor

ek

CLARK S. HOBBS
CHAIRMAN
GEORGE R. MORRIS
SIDNEY D. COHEN
D. K. ESTE FISHER, JR.
ALBERT W. RHINE



RICHARD L. STEINER
DIRECTOR

TELEPHONE:
PLAZA 2000
EXTENSION 2567

BALTIMORE REDEVELOPMENT COMMISSION
407-A MUNICIPAL BUILDING
BALTIMORE - 2, MD.

22 May 1950

Honorable Thomas D'Alesandro, Jr.
Mayor of Baltimore
City Hall
Baltimore 2, Maryland

Dear Mr. Mayor:

Transmitted herewith is a report prepared by this Commission on Redevelopment Project No. 1-A in South Waverly. The project is unique in that it will completely carve out and improve an entire blighted area. Most Baltimore slums are unfortunately so extensive that such a comprehensive operation is impossible.

This project is important not only because it will clear a bad slum, but also because it will make possible an important street improvement for the more efficient flow of traffic - the extension eastward of 29th Street from Greenmount Avenue into Exeter Hall Avenue.

In the design of the development the most modern standards have been used. Generous off-street parking has been required in both the commercial and residential sections. The apartment buildings have been located to use sunlight most advantageously and safe play areas have been provided within the two residential superblocs for children.

The Commission realizes that no civic improvement of this character can be achieved without working hardship upon those required to vacate the area, at least during the construction. In this connection, the Commission would like to state that it is now exploring the ways and means in which a relocation service can be established to assist families in locating and moving to other quarters. Attention is also invited to the fact that enough time has been allowed in the contract schedules so that the problems of such families can be worked out carefully and with every consideration.

The Commission wishes to record the fact that the development of this first project to its present stage would have been impossible had not the redeveloper and its mortgage bankers, the Moss-Rouse Company, been motivated by a genuine civic interest and been willing to spend considerable time, effort, and money in solving with the Commission problems for which there was no precedent. The Commission is also extremely grateful for the assistance of many city departments, especially the Law Department, Department of Public Works, and the Department of Planning, all under your leadership and determination to make Baltimore a better city.

Yours very truly,

Clark S. Hobbs, Chairman.

WAVERLY APARTMENTS CORPORATION
208 E. Lexington Street
Baltimore, Maryland

May 19, 1950

Baltimore Redevelopment Commission
Rm. 407-A Municipal Building
Baltimore 2, Maryland

Gentlemen:

We are pleased to advise that the Waverly Apartments Corporation is prepared to execute the redevelopment agreement for Redevelopment Project No. 1-A on which we have been negotiating with you for the past 13 months.

The officers of the Corporation are:

Harry Bart, President
Albert Stark, Vice President
Fred M. Bart, Secretary

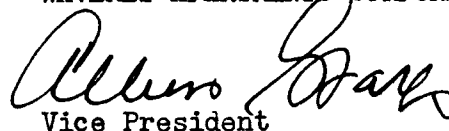
Since the war building companies owned and operated by the officers listed above have completed over 1,000 dwelling units in the Baltimore area. We now have under construction 254 units at Edgewood Arsenal for the U. S. Army and we are about to begin construction of 200 apartments in northwest Baltimore on which the Federal Housing Administration has just issued its Commitment for Insurance.

The major portion of the Waverly Project will be used for garden apartments with a considerably smaller part being devoted to retail commercial use. Our plan provides for the rental units to rent at shelter rents of \$59, \$69 and \$79 per month for 1, 2, and 3-bedroom units, respectively.

The Federal Housing Administration has issued to The Moss-Rouse Company a Commitment to insure a mortgage of \$1,891,500 on the 291-unit rental project. We are ready to proceed with the work as soon as possible after the project has been approved by the Board of Estimates and the City Council.

Very truly yours,

WAVERLY APARTMENTS CORPORATION


Vice President

PROJECT BACKGROUND AND DESCRIPTION

Rebuilding of the area comprising this project is far from a new idea. In fact, it was selected approximately fifteen years ago as the site of the first slum clearance project in Baltimore under the original nation-wide slum clearance program undertaken by the Public Works Administration. A number of Baltimore architects had the plans well advanced when the U. S. Supreme Court ruled against this particular approach to slum clearance.

Five years later the Federal Home Loan Bank Board published the results of a special study on the Waverly section of Baltimore, which has become one of the classics of city planning literature in this country, and which pointed out that the better residential sections of Waverly north of this area were constantly in danger from the close proximity of this isolated slum section.

This report on Waverly stated in part in this connection, "To the south, and definitely threatening the Area—by its contiguity and by actual infiltration—is a fully developed, though not congested, slum district. . . . Short of eventual clearance and reconstruction, there appears to be no prospect of reversal in the trend of this neighborhood."

After another five-year interval the Commission on City Plan of Baltimore published its famous report on the

Redevelopment of Blighted Residential Areas in Baltimore, better known as the "Hubbard Report", in which attention was again focused on this location as one of five selected for special study. This report stated, "Its redevelopment would eliminate an area of blight now surrounded by and spreading into unblighted territory."

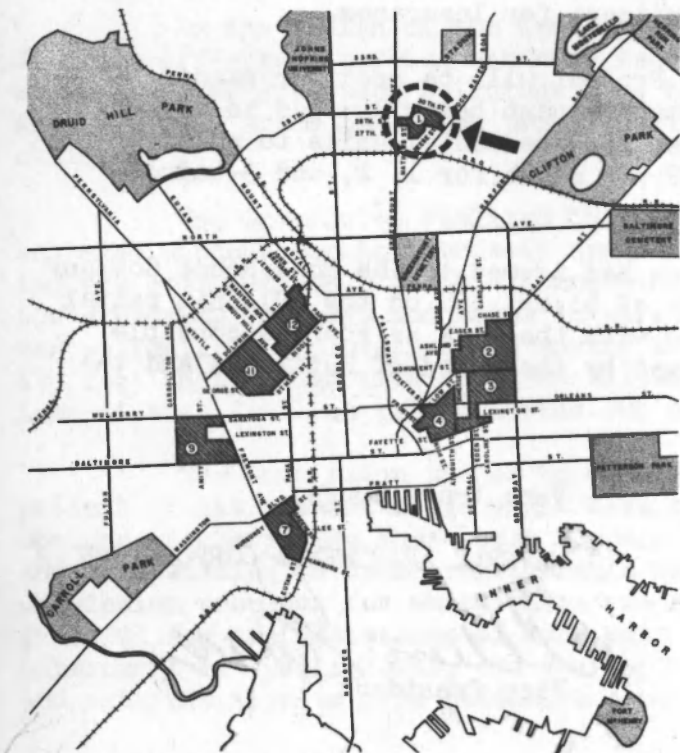
And now after still another five years a sound plan for the redevelopment of the area has finally been proposed after most careful study. About 300 modern garden apartments with attractively landscaped grounds and a small modern store group will replace about 200 dwelling units and 50 business and industrial buildings most of which are deteriorated or obsolete. In addition, traffic flow in this section of the city will be greatly facilitated by a new extension of



29th Street eastward through the area. The area required for this and other street improvements will be more than offset by the area of existing streets and alleys which can be closed in modernizing the street system.

The redevelopment area indicated on the map on this page by a circle and an arrow is more conveniently located than any in which apartments have been completed since the war. It is only $2\frac{1}{4}$ miles from the City Hall and is served by excellent public transportation. It is close to schools and churches of all types as well as to the extensive Waverly shopping center.

The contract for this project, which has already been signed, provides that the land will be leased to the redeveloper for 60 years at an annual rental equal to 4% of the fair





reuse value of the land, as determined by a committee of three independent real estate appraisal experts, for the specified new uses. The redeveloper has an option to purchase the land after 40 years at the then fair reuse value as determined independently by experts. A security deposit of two years' rent in advance is required of the redeveloper during the construction period.

The redeveloper also has many other obligations, such as: to keep the property insured and well maintained, to start and finish building within certain time limits, to protect the City from suits, and to build and use the land according to rigid standards and controls.

If the redeveloper fails to carry out his part of the contract, the City has the right to take over the project and, during the construction period, may in addition keep the security

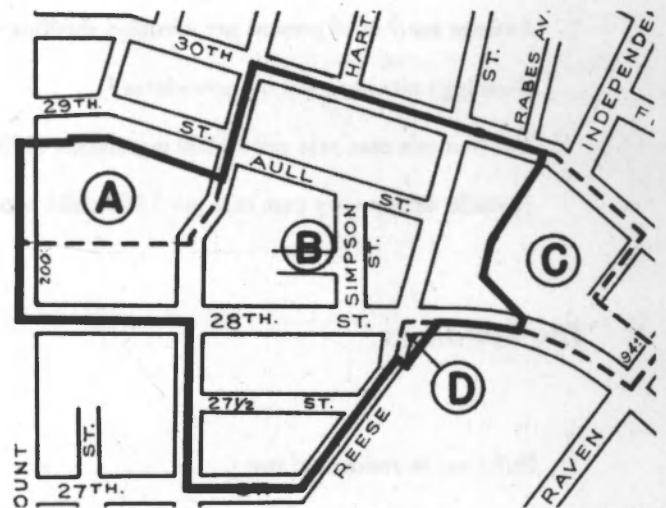


deposit. The City is obligated to acquire the land and to rearrange streets and utilities according to a specified schedule.

The agreement further provides that it may be cancelled if the City Council does not pass a condemnation ordinance, if the redeveloper cannot arrange financing, or if the City is unable to get Federal aid funds all within certain time limits.

The redeveloper has already arranged for mortgage insurance on part of the area through the Federal Housing Administration. The City has \$5,000,000 in loan funds available for redevelopment projects and \$4,312,700 of Federal Redevelopment grant funds have been set aside for Baltimore by the Housing and Home Finance Agency. Before these Federal funds can be used, a detailed application endorsed by the City Council must be approved by the Federal agency.

The accomplishment of this project will also require an amendment of the ordinance passed by the City Council



about three years ago designating this area for redevelopment, so as to exclude the portion marked "C" and include the portions marked "A" and "D" on the map on this page, subsequent study having indicated the necessity of these amendments. Portion "B" is unaffected. This ordinance is now before the City Council along with the all important ordinance to authorize acquisition of the project area.

At a later date the passage of ordinances to open and close streets and alleys and to amend the zoning ordinance to conform to the project plan will be requested. Most of the area is now zoned for second commercial use. Proposed rezoning will result in more restrictive uses over all the area except one very small piece where a change from residential to first commercial will be necessary.

PRESENT CONDITIONS IN THE PROJECT AREA

The Houses¹

	<i>Entire City</i>	<i>Project Area</i>
Dwelling units needing major repairs or lacking private bath.....	28.9%	58.9%
Dwelling units built before 1900.....	43.6%	89.8%
Dwelling units overcrowded.....	3.4%	8.6%
Dwelling units tenant-occupied.....	56.9%	71.1%
Average monthly rent.....	\$30.31	\$20.21

The People

Number of families ¹	—	197
Average number of persons per occupied dwelling unit ¹	3.8	4.3
Dwelling units occupied by non-whites ¹	17.2%	51.3%
Tuberculosis case rate per 10,000 population (1938-1942) ²	18.6	13.9
Juvenile delinquency case rate per 1,000 child population (1939-1942) ²	13.4	17.0

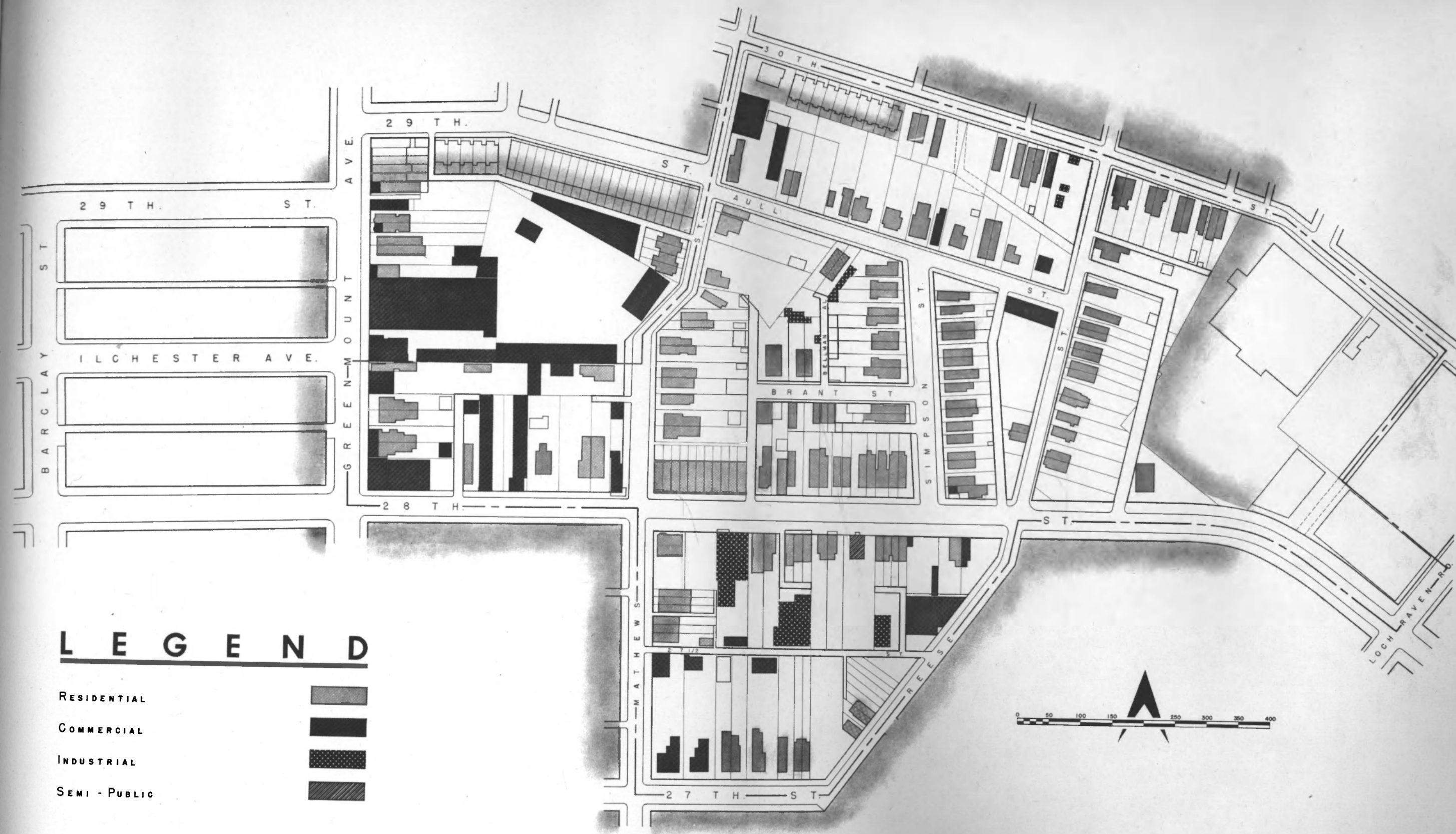
The Buildings³

	<i>Project Area</i>	
	<i>Number</i>	<i>Per Cent</i>
Buildings in residential use.....	164	76.3%
Buildings in mixed residential and commercial use.....	6	2.7%
Buildings in commercial use.....	35	16.3%
Buildings in industrial (including 2nd commercial) use.....	9	4.2%
Buildings in semi-public use.....	1	0.5%
Total Buildings.....	215	100.0%

¹ Based on the 16th Census of the United States, 1940.

² Based on studies by the Planning Commission.

³ From field survey by the staff of the Redevelopment Commission.



EXISTING STRUCTURES & USES

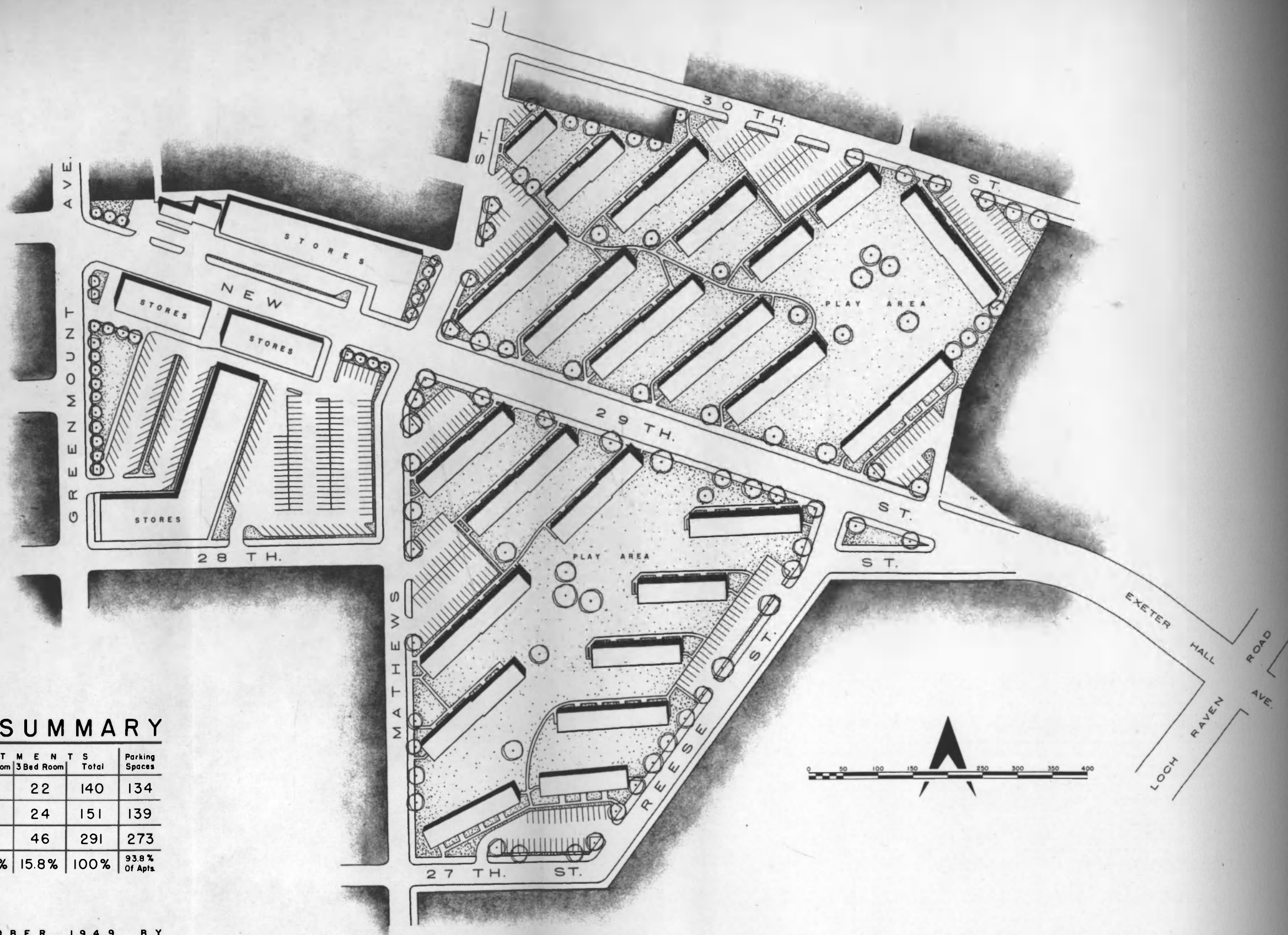
HOUSING SUMMARY

	A P A R T M E N T S			Total	Parking Spaces
	1 Bed Room	2 Bed Room	3 Bed Room		
South Block	22	96	22	140	134
North Block	24	103	24	151	139
Totals	46	199	46	291	273
Percent	15.8%	68.4%	15.8%	100%	93.8% Of Apts.

PREPARED OCTOBER 1949 BY
ALEXANDER S. COCHRAN, ARCHITECT

REDEVELOPMENT
PROJECT NO. 1-A

PROPOSED DEVELOPMENT



DESCRIPTION OF THE PROPOSED DEVELOPMENT

The Location

	<i>Miles</i>
Distance to nearest rapid transit line.....	0
Distance to City Hall via rapid transit.....	2 1/4
Distance to nearest playground.....	1/4
Distance to nearest public grammar school.....	1/2
Distance to nearest boys' public high school.....	2/3
Distance to nearest girls' public high school.....	1/2
Distance to nearest parochial grade school.....	1/3
Distance to nearest boys' parochial high school.....	2 1/2
Distance to nearest girls' parochial high school.....	1/2
Distance to nearest Pratt Library branch.....	1/2

The Land

	<i>Area in Sq. Ft.</i>	<i>% of Total Area</i>
Residential.....	561,259	60.5%
Land covered by buildings.....	104,580	11.3%
Land in central play areas.....	93,896	10.1%
Land in private yards and sidewalks.....	291,453	31.4%
Land in parking and auto circulation.....	71,330	7.7%
Commercial.....	165,152	17.8%
Land covered by buildings.....	53,600	5.8%
Land in parking and accessory uses.....	111,552	12.0%
Streets and Alleys ¹	201,240	21.7%
Total Land Area.....	927,651	100.0%

The Dwellings

<i>Size of Apartments</i>	<i>Number</i>	<i>Per Cent</i>	<i>Average Shelter Rent Per Unit ²</i>
One-bedroom.....	46	15.8%	\$59.00
Two-bedroom.....	199	68.4%	69.00
Three-bedroom.....	46	15.8%	79.00
All Apartments.....	291	100.0%	\$69.00

¹ One half of the total area of all boundary streets and alleys, including Greenmount Avenue, plus total area of all interior streets and alleys.

² Estimated monthly shelter rents (heat and utilities excluded).

COMPARISON OF PRESENT AND PROPOSED DEVELOPMENT

Density and Coverage

	<i>Present</i> (<i>Total Project Area</i>)	<i>Proposed</i> <i>Residential Commercial</i>	
Total population	847 ¹	1024 ²	—
Density of persons per net acre	49.8	79.4	—
Number of families	197 ¹	291 ²	—
Density of families per net acre	11.6	22.6	—
Net land area covered by buildings	28.1%	18.6%	32.5%

Streets and Utilities

	<i>Present</i>	<i>Proposed</i>	<i>Difference</i>
Streets ³	6,285 ft.	5,390 ft.	—895 ft.
Right-of-ways ⁴	312,133 sq. ft.	296,963 sq. ft.	—15,170 sq. ft.
Municipal sewers	6,115 ft.	5,420 ft.	—695 ft.
Municipal electrical conduits	2,680 ft.	2,015 ft.	—665 ft.
Municipal storm drains	4,415 ft.	4,755 ft.	+340 ft.
Municipal water mains	6,520 ft.	5,210 ft.	—1,310 ft.

Assessments and Taxes

	<i>Present (1950)</i>	<i>Proposed</i>	<i>Difference</i>
Land and improvement assessments	\$532,443	\$2,112,950	+\$1,580,507
Annual city real property taxes ⁵	\$ 15,330	\$ 60,850	+\$ 45,520

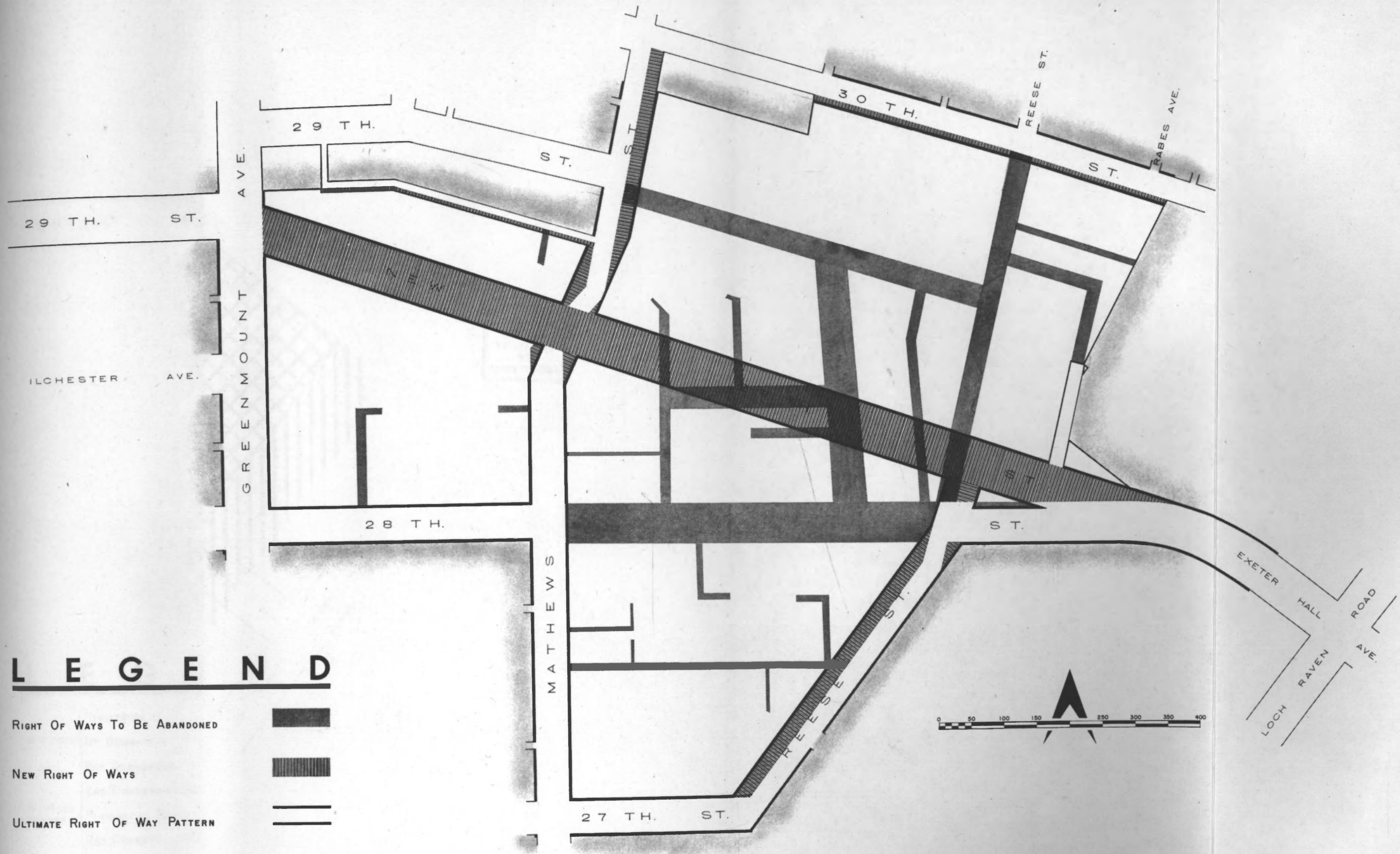
¹ Based on 16th Census of United States, 1940.

² Estimated.

³ Center line length of all boundary and interior streets.

⁴ Total area of all boundary and interior streets and alleys, including Greenmount Avenue.

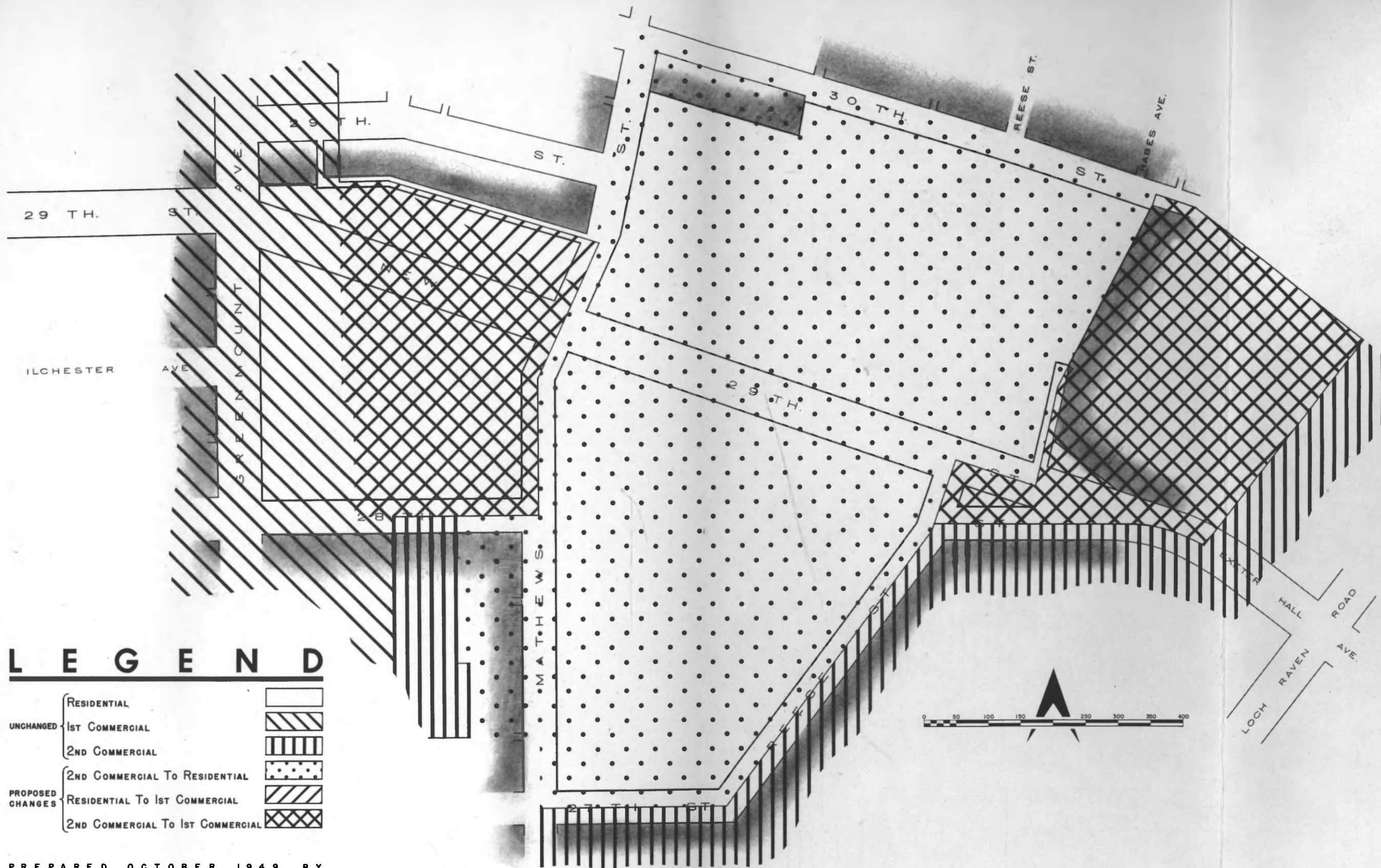
⁵ Based on tax rate of \$2.88 for each \$100.00 assessment—100% collection.



PREPARED OCTOBER 1949 BY
BALTIMORE REDEVELOPMENT COMMISSION

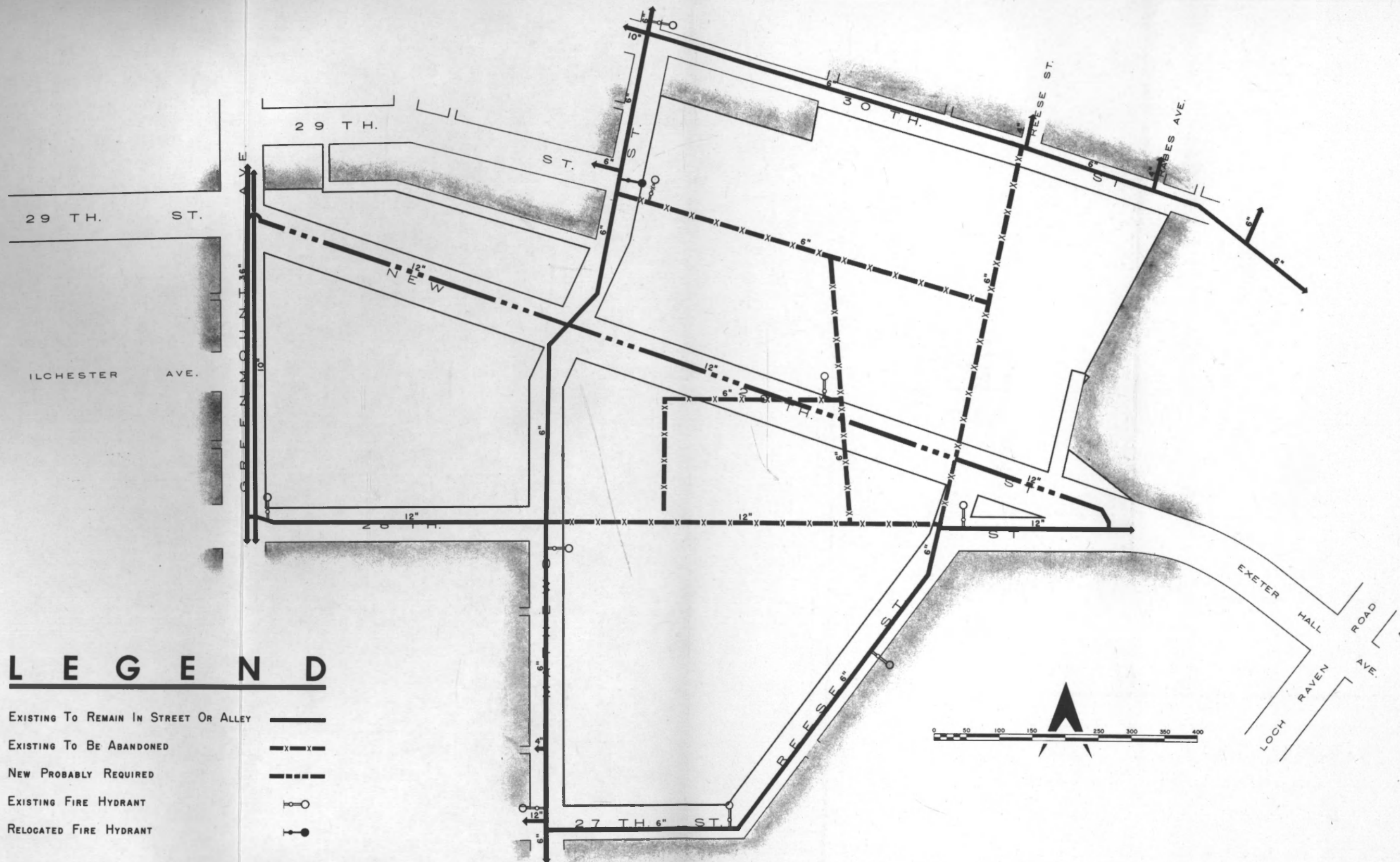
REDEVELOPMENT
PROJECT NO. 1-A

RIGHT OF WAY ADJUSTMENTS



**REDEVELOPMENT
PROJECT NO. 1-A**

USE ZONING ADJUSTMENTS



LEGEND

- EXISTING TO REMAIN IN STREET OR ALLEY ———
- EXISTING TO BE ABANDONED - - - X - - -
- NEW PROBABLY REQUIRED
- EXISTING FIRE HYDRANT ○
- RELOCATED FIRE HYDRANT ●

PREPARED OCTOBER 1949 BY
BALTIMORE REDEVELOPMENT COMMISSION

**REDEVELOPMENT
PROJECT NO. 1-A**

UTILITY ADJUSTMENTS - WATER

FINANCIAL SUMMARY

Acquiring and Preparing Site

Compensation to present owners	\$1,033,670	
Costs of acquisition (surveys, title searches, appraisals, etc.)	74,230	
Site preparation (demolition, paving and utility adjustments)	156,700	
		<u>\$1,264,600</u>

Re-use or Disposal Value

Residential development	100,000	
Commercial development	200,000	
		<u>300,000</u>

Write-down

Federal aid grant	643,067	
Municipal loan funds	321,533	
		<u>\$ 964,600</u>

Tax Benefit

Estimated annual city real property taxes from new development ¹	\$ 60,850
Present annual city real property taxes from area ²	15,330
Estimated increase in annual city real property taxes	<u>\$ 45,520</u>

If City borrows the re-use value from Federal Government at 2½%, rentals from Redeveloper will pay interest and retire loan in approximately 40 years

Time required for increased city real property tax revenue to repay the City's portion of write-down ³:

Without Federal aid approximately 31 years

With Federal aid approximately 8 years

In addition, City will own the land free and clear at the end of 40 years and receive the then fair market value of the land if the Redeveloper exercises its purchase option, or continue to receive unencumbered annual rentals from the Redeveloper in the amount of \$12,000.

¹ Based on estimated assessment of the new development and the 1950 city real property tax rate of \$2.88 for each \$100.00 of assessment—100% collection.

² Computed from 1950 land and improvement assessments and the 1950 city real property tax rate of \$2.88 for each \$100.00 of assessment—100% collection.

³ The assumed interest rate on the municipal loan funds is 2½ per cent per annum.



THOMAS D'ALESSANDRO, JR.,
Mayor



CITY COUNCIL

C. Markland Kelly, *President*

William Bonnett • Simon P. Jarosinski • William D. Schofield, Jr. • Anthony F. DiDomenico
Ambrose J. Kennedy, Jr. • Medio Waldt • James F. Arthur • Walter J. Dewees • John T. Mullin, Sr.
Thomas R. Reid • Leon Abramson • Maxwell Alpert • Jacob J. Edleman • H. Warren Buckler, Jr.
William J. Muth • John H. Reed • Charles A. Masson • Edward A. Freburger • John L. McMenamen
Charles H. Wenger

BOARD OF ESTIMATES

C. Markland Kelly, *President*

Thomas D'Alessandro, Jr. • J. Neil McCardell • Paul L. Holland • Thomas N. Biddison
Allan L. Dell, *Clerk*

BALTIMORE REDEVELOPMENT COMMISSION

COMMISSIONERS

Clark S. Hobbs, *Chairman* • George R. Morris • Sidney D. Cohen • D. K. Este Fisher, Jr.
Albert W. Rhine

STAFF

Richard L. Steiner, *Director* • Leslie S. O'Gwynn, Jr. • Robert T. Matthews • Daniel H. Shear
Stephen F. Petrucci • Maybelle Foster • Rose Wagner



REDEVELOPMENT PROJECT NO. 1-A

**AGREEMENT DATED
MAY 24, 1950
BETWEEN WAVERLY
APTS. CORP. AND
MAYOR AND CITY
COUNCIL OF
BALTIMORE**

CONTENTS

	Page
RECITALS	1
ARTICLE I	
1. City to acquire fee simple title	1
2. City to demolish existing structures	1
3. City to open and close streets and alleys	1
4. City to improve streets	1
5. City to adjust utilities	2
6. Plans for street and utility adjustments may be modified	2
7. When utility adjustments must be completed; no charge to Redeveloper	2
ARTICLE II	
1. Project Areas designated; City to lease to Redeveloper	2
2. City to make survey	2
3. Easement reservations	3
4. Redeveloper to adhere to Standards and Controls	3
5. Annual rent for Project Area 1; additional rent if project cannot be taxed	3
6. Annual rent for Project Area 2; additional rent if project cannot be taxed	3
7. Arbitration where party dissatisfied with amount of additional rent	3
8. Redeveloper to have purchase option	4
9. When Redeveloper assumes control	5
10. Redeveloper to prepare building plans and specifications; approvals required	5
11. When Redeveloper must commence construction	5
12. When Redeveloper must complete construction	5
13. Redeveloper to install certain utilities and secure building permits	5
14. Redeveloper to pay property taxes, other public assessments	6
15. Redeveloper to indemnify City	6
16. Redeveloper to obtain liability insurance	6
17. Agreement not terminated by fire damage	6
18. Redeveloper to obtain fire insurance; powers of trustee appointed to receive insurance money	6
19. Failure of Redeveloper to obtain insurance; all insurance subject to Commission's approval	8
20. Redeveloper to maintain buildings in good repair and not use Project Areas for unlawful purpose	9
21. Redeveloper to comply with all laws	9
22. Redeveloper to permit inspection by City	9
23. Redeveloper cannot jeopardize or encumber City's interest; liens to accrue against Redeveloper's interest only	9
24. Redeveloper not to make alterations without approval	9
25. Redeveloper to make prompt payment of debts	10
26. Redeveloper to cooperate in City's efforts to obtain financial aid	10
27. Assignment of interest in Project by Redeveloper	10
28. Mortgagee not personally liable under Agreement; assignees, except mortgagee, bound by terms of Agreement	11
29. Mortgagee may act to prevent termination	11
30. Title to improvements	12
31. Redeveloper to deposit sum for certain purposes	12
32. Redeveloper not to enter into covenants restricting race, creed, or color	12
33. Redeveloper to pay certain costs and judgments incurred by City	12
ARTICLE III	
1. Project Areas 1 and 2 to constitute separate projects	13
2. Procedure upon default by Redeveloper	13
3. Procedure upon default by City	15
4. Performance period extended by certain causes	15
5. Agreement voidable by failure to obtain approval of condemnation ordinance	15
6. Agreement voidable by failure to obtain capital grant funds	16
7. Agreement voidable by failure to obtain FHA mortgage insurance	16

	Page
8. Agreement voidable if performance restrained by judicial decree	16
9. No claims or right of action if agreement terminated under paragraphs 5, 6, 7, or 8	16
10. Waiver by City of breach of one provision not to constitute waiver of breach of other provisions	16
11. Provisions if Project Area is taken under eminent domain during lease term	16
12. Agreement does not create co-partnership	17
13. City not liable for losses of Redeveloper as result of legal proceedings	17
14. Disposition at end of lease term	17
15. Agreement to be recorded by Redeveloper	17
16. Duties, liabilities, and obligations of parties to be cumulative	17
17. Remedies to be cumulative	18
18. Agreement deemed to have been executed in State of Maryland	18
19. What constitutes sufficient notices	18
SIGNATORIES	18
APPROVALS	18
ACKNOWLEDGMENTS	19
APPENDIX "A" - Standards and Controls	20

THIS AGREEMENT, Made this 24th day of May, 1950, by and between WAVERLY APTS. CORP., a body corporate, created and existing under the laws of the State of Maryland, (hereinafter referred to as "Redeveloper"), and the MAYOR AND CITY COUNCIL OF BALTIMORE, a municipal corporation of the State of Maryland, (hereinafter referred to as "City"), acting with the approval of the Board of Estimates and the Baltimore Redevelopment Commission, (hereinafter referred to as "Commission"), of said municipality.

WHEREAS, acting under the authority contained in Article XIB of the Constitution of Maryland as amended by Chapter 162 of the Laws of Maryland of 1947 which was approved by a majority of the voters of the State of Maryland on November 2, 1948, and Paragraph 14A of Section 6 of the Baltimore City Charter (1949 Edition), City enacted Ordinance No. 718, approved June 2, 1949, which established the Commission and provided for certain procedures under which redevelopment projects are to be undertaken in the City of Baltimore; and

WHEREAS, by Chapter 42 of the Laws of Maryland of 1947 and Ordinance No. 335, approved by the Mayor on July 2, 1948, and by a majority of the voters of Baltimore City on November 2, 1948, City was authorized to issue its certificates of indebtedness to an amount not exceeding Five Million Dollars (\$5,000,000) to be used for certain purposes in connection with redevelopment projects; and

WHEREAS, Public Law 171, passed by the 81st Congress of the United States of America, in Title I thereof, makes provision for substantial financial assistance to local public agencies undertaking redevelopment projects; and

WHEREAS, Commission and Redeveloper have carried on negotiations for the redevelopment of the lots of land hereinafter mentioned and the Redeveloper is desirous of redeveloping said lots of land, subject to and upon the terms and conditions contained herein.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, That in consideration of the payment of the sum of One Dollar (\$1.00) paid by each of the parties hereto to the other, and other good and valuable considerations, the receipt of which is hereby acknowledged, the City and the Redeveloper, for themselves, their heirs, personal representatives, successors and assigns, hereby covenant and agree as follows:

ARTICLE I.

City covenants and agrees that:

1. It will acquire by gift, purchase or condemnation a good and merchantable title in fee simple to all of the land, and all improvements thereon, located in the City of Baltimore, State of Maryland, and designated to be acquired by City in connection with the projects contemplated by this Agreement on a print of drawing No. 37-49, dated 6 October, 1949, and entitled "Areas for Acquisition", which is attached hereto and made a part hereof for all purposes of this Agreement. Said property shall be acquired by the City as aforesaid, at its sole cost and expense, within the various periods of time set forth in the "Acquisition Schedule" shown on said print of drawing No. 37-49, dated 6 October, 1949.

2. It will demolish, or cause to be demolished, all buildings standing on the land to be acquired by the City, as provided in Paragraph 1 of this Article I, to the surface of the ground and fill all cellar holes to grade with solid fill, and remove all rubbish from the area involved.

3. It will open and close street and alley right-of-ways so that the location and width of such right-of-ways through and abutting on the areas to be acquired by the City, as provided in Paragraph 1 of this Article I, will conform to the right-of-way plan shown on print of drawing No. 13-49, dated 5 July, 1949, entitled "Redesign No. 1, Right of Ways", which is attached hereto and made a part hereof for all purposes of this Agreement.

4. It will improve the streets in and abutting on the areas to be acquired by the City, as provided in Paragraph 1 of this Article I, as shown on print of drawing No. 15-49, dated 5 July, 1949, entitled "Redesign No. 1, Pavements", which is attached hereto and made a part hereof for all purposes of this Agreement, by resurfacing, rebuilding or by new construction; all of said work to be done in accordance with plans and specifications to be prepared by the Director of Public Works of the City.

3. The City reserves for itself and its agents and employees the unqualified right to enter upon Project Areas 1 and 2, at any time for the purpose of installing, constructing, reconstructing, maintaining, repairing or servicing any and all public utilities that now or hereafter may be located within the boundary lines of the easements in Project Areas 1 and 2 as shown on the survey mentioned in Paragraph 2 of this Article II and which easements are hereby reserved to the City. The Redeveloper shall not erect or construct any building or structure, or any part thereof, on or over or within the boundary lines of any easement reserved by the City under the terms and provisions of this Agreement.

4. The Redeveloper must use, occupy and develop said Lots A, B, C, D, E and H only for the purposes and in accordance with the provisions and restrictions set forth on print of drawing No. 3-50, dated 7 February, 1950, entitled "Redevelopment Plan, Standards and Controls", which is attached hereto and made a part hereof for all purposes of this Agreement.

5. The Redeveloper hereby covenants and agrees to pay to the City, without prior demand by the City, as yearly rent for Project Area 1 -

(a) The sum of Eight Thousand Dollars (\$8,000) on the first day when the lease term for Project Area 1 commences as provided in Paragraph 1 of this Article II and an equal sum of money on the same day in each year thereafter during the entire lease term for Project Area 1; the said annual rent of Eight Thousand Dollars (\$8,000) being four percent (4%) of Two Hundred Thousand Dollars (\$200,000) which is hereby agreed upon as a fair and equitable re-use or disposal valuation of said Project Area 1;

(b) In the event it shall be judicially determined by a court of competent jurisdiction that Project Area 1, or the improvements placed thereon, legally cannot be assessed and made subject to the payment of taxes or any other public charges or assessments as hereinafter provided, then the Redeveloper shall nevertheless pay, not later than March 1st in each year to the City as additional annual rental for Project Area 1, a sum of money equal to the total amount of all State of Maryland and City taxes and all other public charges and assessments which would be due and payable in each particular year on Project Area 1, and all improvements placed thereon, as if said Project Area 1 and all improvements placed thereon were owned by the Redeveloper in fee simple. The amount of money, if any, to be paid to the City by the Redeveloper under the provisions of this sub-paragraph (b) shall be determined and fixed by the Director of Assessments of the Mayor and City Council of Baltimore.

6. The Redeveloper hereby covenants and agrees to pay to the City, without prior demand by the City, as yearly rent for Project Area 2 -

(a) The sum of Four Thousand Dollars (\$4,000) on the first day when the lease term for Project Area 2 commences as provided in Paragraph 1 of this Article II and an equal sum of money on the same day in each year thereafter during the entire lease term for Project Area 2; the said annual rent of Four Thousand Dollars (\$4,000) being four percent (4%) of One Hundred Thousand Dollars (\$100,000) which is hereby agreed upon as a fair and equitable re-use or disposal valuation of said Project Area 2;

(b) In the event it shall be judicially determined by a court of competent jurisdiction that Project Area 2, or the improvements placed thereon, legally cannot be assessed and made subject to the payment of taxes or any other public charges or assessments as hereinafter provided, then the Redeveloper shall nevertheless pay, not later than March 1st in each year to the City as additional annual rental for Project Area 2, a sum of money equal to the total amount of all State of Maryland and City taxes and all other public charges and assessments which would be due and payable in each particular year on Project Area 2, and all improvements placed thereon, as if said Project Area 2 and all improvements placed thereon were owned by the Redeveloper in fee simple. The amount of money, if any, to be paid to the City by the Redeveloper under the provisions of this sub-paragraph (b) shall be determined and fixed by the Director of Assessments of the Mayor and City Council of Baltimore.

7. In the event the Redeveloper is required to pay additional rent to the City under the terms and provisions of either or both of Paragraphs 5 (b) and 6 (b) of this Article II and either the City, acting through the Commission, or the Redeveloper is not satisfied with any or all of the amounts of additional rents to be paid as aforesaid, then and in that event either the City, acting through the Commission, or the Redeveloper shall have the right to submit the determination or determinations made by the said Director of Assessments in connection with any or all of said additional rents to a Board of Arbitration, consisting of three (3) qualified real estate appraisers doing business in the City of Baltimore, State of Maryland, one (1) of such appraisers to be appointed by the City, acting through the Commission, another such appraiser

to be appointed by the Redeveloper and the third such appraiser to be appointed by the two (2) appraisers first appointed. When the party seeking arbitration has appointed its arbitrator and has served written notice to that effect on the other party, then such other party shall appoint its arbitrator within thirty (30) days after the receipt of said notice. In the event the City or the Redeveloper, as the case may be, refuses or neglects to appoint its arbitrator within thirty (30) days after receiving the aforesaid notice, then the arbitrator appointed by the party seeking arbitration shall have the power and authority to proceed to review the determination made by the said Director of Assessments as if he were an arbitrator appointed by both parties hereto for that purpose, and his decision shall be reported in writing to both parties hereto and shall be final and binding on all parties concerned. The decision of such arbitrator shall be made within ninety (90) days after the City or the Redeveloper, as the case may be, refuses or neglects to appoint an arbitrator. In case three (3) arbitrators are selected as hereinbefore mentioned, the decision of the majority of such arbitrators shall be reported in writing to the parties hereto and shall be final and binding on them; and the written decision of the majority of said three (3) arbitrators shall be made within ninety (90) days after the first two (2) arbitrators have been appointed. All costs and expenses incurred in connection with any such arbitration proceedings shall be paid by the party seeking arbitration.

8. The Redeveloper shall not have any right, either at law or in equity, to redeem any of the rentals reserved and to be paid by the Redeveloper to the City for Project Areas 1 and 2 under the terms and provisions of Paragraphs 5 and 6, respectively, of Article II of this Agreement, during the first forty (40) years of the lease term applicable to each of said Project Areas.

After the expiration of the first forty (40) years, and prior to the beginning of the last year, of the sixty (60) years lease term applicable to each of said Project Areas, and provided that the Redeveloper is not in default of any of the terms and provisions of this Agreement as to the particular Project Area or Project Areas which the Redeveloper desires to purchase, the Redeveloper shall have the right and privilege of purchasing and the City shall convey the fee simple title to said Project Areas 1 and 2, subject to all of the land, easements and rights reserved to the City and its agents and employees mentioned in Paragraph 3 of Article II of this Agreement and each other easements and rights which the City may have acquired in either or both of said Project Areas 1 and 2 after the execution of this Agreement and subject to such covenants and restrictions contained herein as any agency of the United States of America or the City, acting through the Commission, may require to be inserted in any deed, at the then current market value of the land, exclusive of the value of the buildings, structures and improvements placed thereon by the Redeveloper and then standing, as determined by a committee composed of three (3) qualified real estate appraisers doing business in the City of Baltimore, State of Maryland. One member of said Committee shall be appointed by the City, acting through the Commission, another member of said Committee shall be appointed by the Redeveloper and the third member of said Committee shall be appointed by the two (2) members of the Committee first appointed. When the Redeveloper has appointed its member of said Committee and has served written notice to that effect on the City, then the City, acting through the Commission, shall appoint its member of said Committee within thirty (30) days after the receipt of said notice. In the event the City refuses or neglects to appoint its member of said Committee within thirty (30) days after receiving the aforesaid notice, then the member of the Committee appointed by the Redeveloper shall have the power and authority to determine the then current market value of the land as aforesaid as if he were appointed by both parties hereto for that purpose, and his determination shall be reported in writing to both parties hereto and shall be final and binding on all parties concerned. The determination of such member of said Committee shall be made within ninety (90) days after the City refuses or neglects to appoint a member of said Committee. In case three (3) members of the Committee are appointed as hereinbefore mentioned, the determination of the majority of said members shall be reported in writing to the parties hereto and shall be final and binding on them; and the written determination of the majority of said three (3) members of said Committee shall be made within ninety (90) days after the first two (2) members of said Committee have been appointed. All costs and expenses incurred by the parties hereto and said Committee shall be paid in full by the Redeveloper.

Provided, however, that notwithstanding anything contained herein to the contrary, the Redeveloper shall not be required to pay for any one particular Project Area a sum of money greater than the total amount of money expended by the City for and in connection with fully doing and performing all of the duties, obligations and liabilities imposed upon, or accepted by, the City under any and all of the provisions of Article I of this Agreement as to the particular Project Area involved, less any amounts of money which have been received by the City from any agency of the United States of America as capital grants of money to assist the City in doing and performing any and all of the duties, obligations and liabilities imposed upon, or accepted by, the City under any and all of the provisions of Article I of this Agreement as to the particular Project Area involved.

9. Sixty (60) days after the Redeveloper has been notified in writing by the Commission that the City has performed all of the terms and conditions of Paragraphs 1 and 2 of Article I of this Agreement in either one of said Project Areas, as provided in Paragraph 1 of Article II of this Agreement, the Redeveloper shall be deemed to have occupied and assumed full control over all of such Project Area.

It is agreed, however, that the Redeveloper may, from time to time, in writing, request the Commission to allow the Redeveloper to use and occupy portions of either or both of said Project Areas prior to the time when the City has fully performed all of the terms and conditions of Paragraphs 1 and 2 of Article I of this Agreement in either or both of said Project Areas in order that the Redeveloper may commence its operations under the provisions of this Agreement as soon as it is practical for it to do so, and it shall be within the sole discretion of the Commission to determine whether or not it will grant any such request. In the event any such request is granted, in writing, by the Commission, then the Redeveloper shall occupy and assume full control over such portions of the Project Areas designated in the said paper writing issued by the Commission commencing with the date specified in such paper writing.

10. The Redeveloper, at its sole cost and expense, shall prepare, or cause to be prepared, detailed plans and specifications for the buildings and structures to be constructed or erected by the Redeveloper on each of the Project Areas, and said plans and specifications shall be subject to, and be in conformity with, the provisions, restrictions, standards and controls indicated on a print of drawing No. 3-50, dated 7 February, 1950, entitled "Redevelopment Plan, Standards and Controls", which is attached hereto and made a part hereof for all of the purposes of this Agreement. Said plans and specifications must be submitted to, and approved by the Commission, the Planning Commission and the Building Inspection Engineer of the City. Further, any and all plans which must be submitted to, and approved by, the City Council of the City in order to enable the City to obtain funds from the United States of America, or any agency thereof, in connection with the projects contemplated by this Agreement must be submitted to, and approved by, said City Council. After said plans and specifications have been approved as aforesaid, no changes therein, or amendments thereto, shall be made by the Redeveloper until after any proposed change or amendment has been submitted to, and approved by, the Commission, the Planning Commission and the Building Inspection Engineer of the City.

11. The Redeveloper must commence its construction and development operations in accordance with the approved plans and specifications mentioned in Paragraph 10 of this Article II in each particular Project Area not more than ninety (90) days after the date when the Redeveloper occupies and assumes full control over all or any portion of each particular Project Area as provided for in Paragraph 9 of this Article II.

12. The Redeveloper must fully complete all of the construction and development work to be performed by it in each Project Area as required by, and in accordance with, the plans and specifications mentioned in Paragraph 10 of this Article II which have been approved for the development of the particular Project Area within a period of twenty (20) months accounting from the time when the City has performed all of the terms and conditions of Paragraphs 1 and 2 of Article I of this Agreement in the particular Project Area and the Redeveloper has been so notified in writing by the Commission. Provided, however, the Redeveloper shall not have any obligation or duty to fully complete all of the construction and development work to be performed by it in Project Area 1 prior to a date twelve (12) months after the date when the Redeveloper is required to have fully completed all of the construction and development work to be performed by it in Project Area 2 as provided by the provisions of this Paragraph 12.

13. The Redeveloper, at its sole cost and expense, shall install all necessary connections between any and all buildings or structures constructed or erected by the Redeveloper on the Project Areas and the water, sanitary sewer and storm drain mains owned by the City. The Redeveloper, at its sole cost and expense, shall provide and construct all necessary footways along the highway frontage of both of the Project Areas and within the right-of-way lines of all highways abutting on either and both of the Project Areas. The Redeveloper shall secure any and all permits usually required by the City to perform any and all of the work or operations contemplated to be done or performed under the provisions of this Paragraph 13 and shall pay any and all fees and charges usually collected by the City in connection with the issuance of any such permits. The City covenants and agrees, upon the written request of the Redeveloper, to execute, acknowledge and deliver any and all such written instruments and documents as may be necessary and required for the installation, at such locations as may be approved by the Commission in writing, of electricity, gas, telephone and other public utilities and facilities within the said Project Areas which are essential to the use and occupancy of the buildings and structures to be placed on the said Project Areas by the Redeveloper.

14. Notwithstanding the fact that the fee simple title in and to the Project Areas is to remain in the City and notwithstanding anything contained in this Agreement which may be construed to the contrary, the Project Areas, and all improvements placed thereon, shall be assessed for State of Maryland and City tax purposes to the Redeveloper and the Redeveloper shall pay State of Maryland and City taxes, and all water rent and all other public charges or assessments which may be levied or assessed against the Project Areas by either the State of Maryland or the City, in the same manner and to the same extent as though the Project Areas, and all improvements placed thereon, were owned in fee simple by the Redeveloper. Actual or constructive possession by the Redeveloper, in accordance with Paragraph 9 of this Article II, of either entire Project Area on or before October 1st in any particular year shall subject said Project Area to taxes, water rent and all other public charges or assessments for all subsequent years.

15. The Redeveloper shall pay, indemnify and save harmless the City, its agents and employees, except against its or their own acts of omission or negligence, from all suits, actions, claims, demands, damages, losses, expenses and/or costs of every kind and description to which the City, its agents or employees, may be subjected or put by reason of injury (including death) to persons or property, resulting from, in connection with, or growing out of, any act of commission or omission of the Redeveloper, its agents or employees, or its contractors or sub-contractors, in connection with any building, construction, erection, installation or development work, service or operation being done, carried on or performed in, on or over either or both of said Project Areas, or any part or parts thereof, or in connection with any use, occupancy or operation of said Project Areas or any improvements thereon, or any part of any of them, during the entire time this Agreement, or any part thereof, is in force, and regardless of whether such suits, actions, claims, demands, damages, losses, expenses and/or costs be against, suffered or sustained by the City, its agents and employees, or be against, suffered or sustained by other persons, corporations or legal entities to whom the City, its agents and employees, may become liable therefor.

16. (a) The Redeveloper, at its sole cost and expense, shall, in addition to the insurance required by Paragraph 18 of this Article II, secure from a financially sound company or companies, and maintain in full force and effect during the entire time that this Agreement is in force as to either or both of said Project Areas, all such insurance policies as may be required by the Commission from time to time, and all such policies shall be in such amounts and protect the City and the Redeveloper, their agents and employees, against such risks, liabilities and casualties as may be required by the Commission.

(b) Provided, however, that in any event the Redeveloper shall secure and maintain in full force and effect such insurance as will at least protect the Redeveloper and the City, their agents and employees, from any and all claims or damages for personal injuries, including death, or for damages to any property of the City or of the public, which may arise out of or in connection with the occupancy or use of either of the Project Areas by the Redeveloper or the performance of any work or operations by the Redeveloper in, on or over either of the Project Areas, whether said work or operations be by the Redeveloper, or its contractors or sub-contractors, or anyone directly or indirectly employed by any of them; the amount of such insurance shall not be less than Twenty Five Thousand Dollars (\$25,000) for injuries sustained by any one person and Fifty Thousand Dollars (\$50,000) for injuries sustained by two or more persons in any one accident; the amount of property damage insurance shall not be less than Ten Thousand Dollars (\$10,000).

17. Notwithstanding any law to the contrary, any loss or damage by fire or other casualty of or to any building, structure, improvement or equipment located on either or both of said Project Areas at any time shall not operate to terminate this Agreement as to either or both of said Project Areas or to relieve or discharge the Redeveloper from the payment of taxes or rent, or any money to be treated as rent hereunder, as the same become due and payable as provided in this Agreement, or from the performance and fulfillment of any of the Redeveloper's obligations, liabilities, duties or undertakings under the provisions of this Agreement.

18. (a) At all times during the period that this Agreement is in full force and effect as to either or both of said Project Areas, including the period of construction or re-construction of any buildings or structures on either or both of said Project Areas, the Redeveloper shall keep all buildings, structures, improvements and equipment hereafter erected or installed on either or both of said Project Areas insured against loss by fire and such other hazards, casualties and contingencies, including windstorm and boiler explosion, commonly insured against in the City of Baltimore, State of Maryland, and such other hazards as may be designated, from time to time, by the Commission, and all such insurance shall be carried in such

Upon the receipt by the Trustee of a final certificate issued as aforesaid certifying that the Redeveloper has reconstructed, repaired and replaced all property destroyed or damaged to the satisfaction of the parties or the architect or engineer hereinbefore mentioned; that the Redeveloper is not in default under any of the terms and provisions of this Agreement as to the Project Area or Project Areas upon or in connection with which any such loss, damage or destruction has been sustained, and that said reconstructed, repaired and replaced property or equipment are free and clear of all liens and claims of contractors, sub-contractors, mechanics, laborers, material-men and others, then the Trustee shall pay to the Redeveloper any excess insurance funds then remaining in the possession of the Trustee.

(f) The Redeveloper shall commence to reconstruct, repair and replace any buildings, structures, improvements and equipment which have been destroyed or damaged within a period of six (6) months after such property has been destroyed or damaged, and shall well and diligently and with prompt dispatch prosecute the same as may be necessary to fully complete the same within twenty-four (24) months after said property has been destroyed or damaged. In the event the Redeveloper does not perform as above required within the aforesaid six (6) months and twenty-four (24) months periods, then all insurance money or so much thereof as may remain in the possession of the Trustee, at the election of the Commission, shall be at once forfeited and paid to the City as liquidated, awarded and agreed damages, and not as a penalty or penal sum or in the nature thereof; and the City shall have the right to declare that the Redeveloper is in default as to the Project Area or Project Areas involved and terminate this Agreement in its entirety as to the said Project Area or Project Areas involved as provided elsewhere in this Agreement, and in any such case, no compensation shall be allowed to the Redeveloper by the City for any completed or incompletd buildings, structures, improvements or equipment on the Project Area or Project Areas involved. In the event of the termination of this Agreement for any cause or reason as to any Project Area or Project Areas while said insurance money and accumulated interest thereon shall remain in possession of the Trustee and before said reconstructing, repairing or replacing work or operations shall have begun or after such work or operations have been completed, then such insurance money, or any balance remaining in possession of the Trustee, with the interest thereon, shall become the sole and absolute property of, and be paid by the Trustee to, the City, as liquidated, awarded and agreed damages and not as a penalty or penal sum or in the nature thereof, free, clear, discharged and released from any claim or demand by the Redeveloper or any other legal entity claiming by, through or under it; and thereupon the Redeveloper shall be discharged and released from the obligation to reconstruct, repair or replace any buildings, structures, improvements and equipment destroyed or damaged as aforesaid.

(g) Any Trustee mentioned in this Paragraph 18 shall not be liable for any mistake or error of judgment in the discharge of its duties but shall be liable only for bad faith or gross negligence. Said Trustee shall not be liable or responsible for the collection of any insurance money or for the failure or refusal of any insurance company or any other insurer to pay any moneys due, or any part thereof, or to pay any of said insurance money to the Trustee or to liquidate any loss in full, but the Trustee shall be liable and responsible only for such insurance or other moneys as shall actually come into its possession, less proper expenses of collection, and the Trustee shall not be obligated to examine or inquire into the competency or good repute of any architect or engineer upon whose certificate or estimate it is to pay out any insurance or other money, or to examine or inquire into the propriety of the issuance of any certificate or the reliability of any other evidence and vouchers upon which it is to pay out any money and which it in good faith believes to be genuine and properly issued, nor shall the Trustee be in any way responsible for the proper application of any insurance or other money after the same has been disbursed or paid out by it under or pursuant to the provisions of this Paragraph 18.

19. (a) In the event the Redeveloper at any time refuses, neglects or fails to secure and maintain in full force and effect any or all of the insurance required under the terms and provisions of this Agreement, the City, acting through the Commission, at its option, may procure or renew such insurance or procure additional insurance or indemnity as the Commission may deem necessary, and all amounts of money paid therefor shall be and be deemed to be additional rent due hereunder, payable with four percent (4%) interest thereon as herein provided with the yearly rent next thereafter becoming due and payable under the terms of this Agreement.

(b) All such insurance agreements shall provide that they cannot be cancelled or terminated until after at least fifteen (15) days prior notice has been given to the Commission to the effect that such insurance agreements are to be cancelled or terminated at a particular time.

(c) All such insurance agreements required to be procured by the Redeveloper under the provisions of this Agreement shall be subject to the approval of the Commission, and the Redeveloper shall not commence any of its construction, development or other operations under this Agreement until and after any and all such insurance agreements as required by the Commission have been approved by the Commission.

(d) No acceptance or approval of any insurance agreement or agreements by the City or the Commission shall relieve or release or be construed to relieve or release the Redeveloper from any liability, duty or obligation assumed by, or imposed upon, it by the provisions of this Agreement.

20. (a) The Redeveloper, at its sole cost and expense, at all times, shall keep all buildings, structures, improvements, fixtures, equipment, machinery, and walkways and other paved areas, constructed, erected, installed or located on the Project Areas in good and safe order and condition and in full and complete repair, both outside and inside, structurally and otherwise, including the necessary and proper painting, so that the security furnished the City by said buildings, structures, improvements, fixtures, equipment and machinery placed on said Project Areas for the payment of the rents and the performance of the agreements herein contained shall not at any time be impaired or diminished in value, and so that the buildings, structures, improvements, fixtures, equipment and machinery can be surrendered to the City in good order and condition upon the termination of this Agreement, ordinary wear and tear and obsolescence excepted. All buildings and structures, both inside and outside, parking spaces, walkways, trees and shrubs, landscaped and other open and paved areas, constructed, erected or installed on the Project Areas shall be kept by the Redeveloper in a neat, clean, orderly and sanitary condition, including the removal of all refuse, rubbish, snow and ice. The dwelling units contained in the buildings and structures placed on the Project Areas under the provisions of this Agreement shall not be over-crowded with people at any time. Nothing contained in this Paragraph 20 shall be taken or construed to relieve the City from performing its usual and normal functions and activities in connection with collecting and removing garbage, refuse and rubbish from the Project Areas in accordance with the practices and policies which the City may establish, from time to time, and which are generally applicable to such collections and removal from buildings and structures similar to those contemplated by this Agreement.

(b) The Redeveloper shall not use any of said Project Areas, or any part of any of them, for any unlawful or dangerous purpose, or maintain or permit to be maintained thereon any nuisance or carry on any business or operation thereon except as specifically authorized by the provisions of this Agreement.

21. The Redeveloper shall comply in every respect with any and all Federal, State of Maryland and municipal laws, ordinances, rules, regulations, orders and notices, now or hereafter in force or issued, which may be applicable to any and all of the work or operations to be done, performed or carried on by the Redeveloper under the provisions of this Agreement in the same manner and to the same extent as if the Redeveloper were the owner of the Project Areas and the improvements placed thereon, in fee simple, and the City was not a party to this Agreement.

22. To the extent that the Redeveloper has the authority to do so, it agrees that at all times free and unobstructed access to any and all of the buildings and structures placed on the Project Areas by the Redeveloper and all open areas surrounding such buildings and structures will be given to the duly authorized representatives of the City and the Commission for inspection purposes.

23. (a) No act of commission or omission done or suffered to be done by the Redeveloper shall in any manner, directly or indirectly, affect the reversionary estate of the City in either or both of said Project Areas and nothing contained herein shall authorize or be construed to authorize the Redeveloper to perform any act which may in anywise encumber or change any of the rights, title or interests of the City in and to either or both of said Project Areas.

(b) The Redeveloper shall not at any time in anywise do any act or thing which shall in any way encumber any of the rights, title or interests of the city in and to either or both of said Project Areas or subject the interests or estate of the City in either or both of said Project Areas to any claim by way of lien or encumbrance, whether claimed by operation of law or by virtue of expressed or implied contract of the Redeveloper, and any claim to a lien upon either or both of said Project Areas arising from any act of omission of the Redeveloper shall accrue only against the interests and estate which the Redeveloper may have in either or both of said Project Areas under the provisions of this Agreement and shall in all cases and respects be subject to the paramount rights, title and interests of the City in and to either or both of said Project Areas.

24. The Redeveloper shall not make any additions or extensions to, or make any structural or architectural alterations or changes to, any of the buildings or structures constructed or erected on the Project Areas without the prior written approval of the Commission.

25. The Redeveloper shall make, or cause to be made, prompt payment of all money owed to any and all persons doing any work or furnishing any materials or supplies to the Redeveloper or any of its contractors or sub-contractors in connection with constructing, erecting and developing, or reconstructing, repairing or replacing, any of the buildings, structures and other improvements to be placed on the Project Areas by the Redeveloper under the terms and provisions of this Agreement.

26. The Redeveloper shall co-operate with the City as fully as practicable and do any and all reasonable acts and things that may be necessary to assist the City to secure financial aid for all of the projects contemplated by this Agreement from either the United States of America or the State of Maryland, or both of them, or any agency of either of them, under the provisions of Public Law No. 171, passed by the 81st Congress, First Session, and known as the "Housing Act of 1949", and all amendments thereto, or any similar Federal or State legislation.

27. (a) The Redeveloper, as to either or both of said Project Areas, shall not assign or transfer this Agreement, or any part thereof or interest therein, by power of attorney or otherwise, nor sublet any of the rights, licenses and privileges granted to the Redeveloper by the City under the provisions of this Agreement in connection with the construction, reconstruction, development or operation of the buildings, structures, improvements and equipment contemplated to be placed on any of said Project Areas under this Agreement, nor shall the Redeveloper consent to, allow or permit any party, except its contractors, sub-contractors, employees and management or operating agencies, to exercise any of the rights, licenses or privileges granted to the Redeveloper by the City under the provisions of this Agreement, without the previous written consent of the Commission, until and after the first five (5) years period of the lease term applicable to any particular Project Area has elapsed; it being the purpose and intent of this Agreement to grant the rights, licenses and privileges herein granted to the Redeveloper by the City solely to the Redeveloper, except as provided in this Paragraph 27, and not to any other person, firm, corporation or other legal entity unless the City, acting through the Commission, first consents otherwise in writing.

(b) After the expiration of the aforementioned five (5) year period applicable to any particular Project Area, and provided that the Redeveloper is not in default under any of the terms and provisions of this Agreement as to such particular Project Area, then the Redeveloper shall have the right to sell, assign and transfer, without the written consent of the Commission as aforesaid, all of its rights, title and interests in and to the entire area of such particular Project Area, it being expressly understood and agreed that the Redeveloper does not have the right to sell, assign or transfer any of its rights, title or interests in any portion of any particular Project Area which are less than all of its rights, title and interests in the entire area of any particular Project Area. Any such purchaser, assignee or transferee, shall expressly assume all of the obligations, liabilities and duties accepted by, or imposed upon, the Redeveloper under the terms and provisions of this Agreement as to the particular Project Area or Project Areas involved by written instrument filed forthwith for recording among the Land Records of Baltimore City and an original executed copy of said written instrument delivered to the Commission, together with the name and address of said purchaser, assignee or transferee, of the Redeveloper's rights, title and interests in the particular Project Area or Project Areas involved, and any such sale, assignment or transfer shall not have any force or effect until all of the aforesaid conditions have been fully complied with. From and after the time when any such sale, assignment or transfer is in full force and effect, the Redeveloper shall not have any further liability under the provisions of this Agreement as to the particular Project Area or Project Areas so sold, assigned or transferred, and all of the Redeveloper's obligations, duties and liabilities in the particular Project Area or Project Areas involved, under the terms and provisions of this Agreement, shall pass to said purchaser, assignee or transferee and be solely performed by such party.

(c) Nothing contained in this Paragraph 27 is intended to prohibit the Redeveloper from leasing in the ordinary course of business, subject to any and all of the terms and provisions of this Agreement, any space in any building or structure constructed or erected by the Redeveloper on any of said Project Areas which is to be used for residential or commercial purposes, as the case may be, in accordance with the provisions of this Agreement.

(d) 1. Anything contained in this Paragraph 27 to the contrary notwithstanding, the Redeveloper shall have the right to pledge and convey at any time all of its rights, title and interests in the entire area of any one particular Project Area by way of mortgage or deed of trust to any responsible person or corporation, as mortgagee or trustee, to secure the payment of money borrowed or owing by the Redeveloper for developing, constructing, erecting, reconstructing, modernizing, equipping or refinancing the buildings, structures and other improvements on the one particular Project Area as contemplated by this Agreement.

2. Any such mortgage or deed of trust shall contain a clause or clauses to the effect (a) that it conveys to the mortgagee or trustee no rights in the one particular Project Area involved, or in any building, structure or improvement thereon, greater than or extending beyond the rights of the Redeveloper in the one particular Project Area involved under the terms and provisions of this Agreement, and (b) that said mortgage or deed of trust and all rights thereunder are, and shall be, subject to all and each of the rights, title and interests of the City in and to the one particular Project Area involved under the terms and provisions of this Agreement, and to all and each of the conditions, covenants, terms and obligations contained in this Agreement.

3. Provided, however, that the Redeveloper may not exercise any of the rights and privileges granted by the provisions of this Paragraph 27 (d) as to any one particular Project Area if the Redeveloper is in default under any of the terms or provisions of this Agreement as to such one particular Project Area.

4. Provided further, that the Redeveloper shall not be a party to more than one first and one second outstanding and unpaid mortgage or mortgages or deed or deeds of trust at any one time which is secured by all or any portion of any one particular Project Area or all or any portion of the buildings, structures and improvements placed thereon.

5. Provided further, that the Commission, in its sole discretion and acting for and on behalf of the City, shall have full power and authority to wholly or partially waive, from time to time, in writing, any and all of the restrictions, prohibitions or limitations contained in Sections 1, 3 and 4 of this Paragraph 27 (d) applicable to the right of the Redeveloper to pledge its rights, title and interests in any particular Project Area by way of mortgage or deed of trust.

30. (a) Anything to the contrary herein contained notwithstanding, the mortgagee or trustee in any mortgage or deed of trust or the Federal Housing Commissioner shall not become personally liable upon, or under, any of the covenants, terms and provisions of this Agreement; provided, however, that if any or all of the covenants, terms, provisions and conditions of this Agreement to be performed or complied with by the Redeveloper are not strictly and fully performed and complied with at all times and under all conditions by the Redeveloper, or by the mortgagee or trustee in any mortgage or deed of trust or by the Federal Housing Commissioner, then and in any such case the City shall have the unqualified right to pursue any and all of the rights and remedies available to it under the provisions of this Agreement, including, but not limited to, the right to terminate this Agreement in its entirety as to the particular Project Area or Project Areas involved.

(b) Any person, corporation or legal entity, other than the mortgagee or trustee in any mortgage or deed of trust or the Federal Housing Commissioner, acquiring any or all of the rights, title and interests of the Redeveloper in and to any particular Project Area or Project Areas under any judicial sale made under any mortgage or deed of trust or as the result of any action or remedy provided therein or by foreclosure or other appropriate proceedings in the nature thereof, or as the result of any legal process or proceedings whatsoever, shall thereby become liable under and be fully bound by all of the terms, covenants, provisions and conditions contained in this Agreement applicable to the particular Project Area or Project Areas involved.

29. The mortgagee or trustee in any mortgage or deed of trust or the Federal Housing Commissioner at any time before the rights of the Redeveloper shall have been terminated in any one particular Project Area resulting from any default under the terms and provisions of this Agreement applicable to the one particular Project Area involved, may, at its or his option, do any act or thing necessary, proper and consistent with the terms and provisions of this Agreement applicable to the one particular Project Area to prevent such termination, and any act or thing so done by any of said parties shall be as effective to prevent such termination of the Redeveloper's rights under the terms and provisions of this Agreement applicable to the one particular Project Area involved as if done by the Redeveloper. Full performance by any mortgagee or trustee in any mortgage or deed of trust or the Federal Housing Commissioner of all the terms, covenants, provisions and conditions contained in this Agreement to be performed, observed or complied with by the Redeveloper shall be construed as correcting or curing an abandonment by the Redeveloper of all or any part of the buildings, structures, improvements and equipment placed on any of the Project Areas by the Redeveloper under the terms and provisions of this Agreement, as mentioned in Paragraph 2 (a) of Article III of this Agreement.

30. (a) The title to all buildings, structures, improvements and equipment of whatsoever nature placed on any one particular Project Area by the Redeveloper, from time to time, shall be and remain in the Redeveloper during the entire time that this Agreement is in full force and effect as to said particular Project Area.

(b) Upon the termination of this Agreement as to any one particular Project Area as the result of any default by the Redeveloper under the terms and provisions of this Agreement, or upon the termination of this Agreement at the expiration of the lease term applicable to any one particular Project Area, or upon the termination of this Agreement as to any one particular Project Area for any other cause or reason and the Redeveloper has not acquired all of the rights, title and interests of the City in and to the one particular Project Area in accordance with the terms and provisions of Paragraph 8 of this Article II, then, and in any of such cases, any and all buildings, structures, improvements and equipment placed on the one particular Project Area by the Redeveloper or its agents or employees or tenants shall become and be the sole and absolute property of the City free and clear of any and all liens and encumbrances and free and clear of any and all rights, title and interests of the Redeveloper and any person, firm, corporation or legal entity claiming by, through or under it or them, without the payment by the City of any monetary or other consideration therefor; and all of said buildings, structures, improvements and equipment shall be surrendered to the City in good order and repair, ordinary wear and tear and obsolescence excepted.

31. The Redeveloper shall deposit the sum of Twenty-four Thousand Dollars (\$24,000) with the City within ten (10) days after the effective date of any ordinance of the City hereafter enacted authorizing the City to acquire the property mentioned in Paragraph 1 of Article I of this Agreement. This money shall be held by the City, without the payment of any interest thereon, and shall be used by it for the following purposes:

(a) In the event the Redeveloper fully develops, constructs and erects all of the buildings, structures and other improvements, which the Redeveloper is obligated under this Agreement to place on all of the Project Areas, in strict compliance with, and as required by, the terms and provisions of this Agreement, then the City shall apply the said sum of Twenty-four Thousand Dollars (\$24,000) to all rentals due and payable on all of the said Project Areas by the Redeveloper to the City after all of said buildings, structures and other improvements have been fully completed until the entire sum of Twenty-four Thousand Dollars (\$24,000) has been so used;

(b) In the event the Redeveloper fails for any cause or reason to fully develop, construct and erect all of the buildings, structures and other improvements, which the Redeveloper is obligated under this Agreement to place on all of the Project Areas, in strict compliance with, and as required by, the terms and provisions of this Agreement, then the City shall have the unqualified right to retain the entire sum of Twenty-four Thousand Dollars (\$24,000) for its own use as liquidated damages, which it is hereby agreed will be the minimum amount of damages that the City will sustain as a result of the default of the Redeveloper, and the Redeveloper shall cease to have any right, title or interest in or to all or any part of said sum of Twenty-four Thousand Dollars (\$24,000).

32. It is distinctly understood that the Redeveloper must not enter into, execute or be a party to any covenant, agreement, lease, deed, assignment, conveyance or any other written instrument which, directly or indirectly, in any manner or to any extent restricts or attempts to restrict the sale, lease, use or occupancy of either or both of the Project Areas, or any part thereof, or any improvements placed thereon, upon the basis of race, creed or color.

33. The Redeveloper shall promptly pay any and all costs and expenses and all judgments and decrees, which may be incurred by the City, from time to time, (a) in enforcing the covenants, terms or provisions of this Agreement; or, (b) in obtaining possession of any particular Project Area after the termination of this Agreement as to such particular Project area as the result of any default by the Redeveloper or otherwise; or, (c) in defending any suit or suits or proceeding brought against the City, as owner of the fee simple title to any particular Project Area, for the violation by the Redeveloper, while this Agreement is in effect as to such particular Project Area, in respect to such particular Project Area or any part thereof, of any present or future law or ordinance, or for the failure by the Redeveloper, to keep, observe and comply with any such ordinance or law; or, (d) in defending any action or suit for damages because of any failure, neglect or default on the part of the Redeveloper in respect of any obligation, agreement, undertaking or promise herein contained on the part of the Redeveloper to be kept and performed; and that, in case the City shall, without any default on its part, be made a party to any litigation in respect of any matter directly or indirectly growing out of this Agreement or the terms and conditions thereof or relating to either or both of the Project Areas, and the Redeveloper is at fault,

mortgage or deed of trust is insured by the Federal Housing Administration, written notice of any such default of the Redeveloper at the same time that any such notice of default is given to the Redeveloper, but the City shall not have any duty or obligation to give any such written notice to the holder of a mortgage or to the trustee under a deed of trust or to the Federal Housing Commissioner, as the case may be, unless, until and after the holder of a mortgage or the trustee under a deed of trust or the Federal Housing Commissioner, as the case may be, has notified the City in writing that it has a financial interest in the particular Project Area, in connection with which the Redeveloper is in default, under a mortgage or deed of trust and specifies the full address to which all such notices shall be sent by the City.

(d) In the event any notice of default of the Redeveloper does not relate or pertain in any manner or to any extent to the non-payment of any rent or money to be treated as rent under the provisions of this Agreement and the rights, title and interests of the Redeveloper in and to the particular Project Area in connection with which the Redeveloper is in default are encumbered by a mortgage or deed of trust, then, and only in that event, the Redeveloper shall have the right to correct or cure the default complained of in said notice within a period of five (5) months accounting from the date of such notice, instead of the sixty (60) days period mentioned in Section (b) of this Paragraph 2, and if the Redeveloper fails to correct or cure the default complained of in said notice within said five (5) months period, then and in such case, this Agreement shall terminate immediately in its entirety as to the particular Project Area in connection with which the Redeveloper is in default, unless said five (5) months period is specifically extended in writing by the Commission, acting for and on behalf of the City.

(e) In the event any notice of default of the Redeveloper does not relate or pertain in any manner or to any extent to the non-payment of any rent or money to be treated as rent under the provisions of this Agreement and the rights, title and interests of the Redeveloper in and to the particular Project Area in connection with which the Redeveloper is in default are encumbered by a mortgage or deed of trust and such mortgage or deed of trust is insured by the Federal Housing Administration, then, and only in that event, the Redeveloper shall have the right to correct or cure the default complained of in said notice within a period of nine (9) months accounting from the date of such notice, instead of the sixty (60) days period mentioned in Section (b) and the five (5) months period mentioned in Section (d) of this Paragraph 2, and if the Redeveloper fails to correct or cure the default complained of in such notice within said nine (9) months period, then and in such case, this Agreement shall terminate immediately in its entirety as to the particular Project Area in connection with which the Redeveloper is in default, unless said nine, (9) months period is specifically extended in writing by the Commission, acting for and on behalf of the City.

(f) In the event of any such termination, all rights, title, interests, powers, licenses and privileges of the Redeveloper, and any person, firm, corporation or other legal entity claiming by, through or under it or them, under the terms and provisions of this Agreement shall immediately terminate and the City, acting through the Commission, shall have the right and authority to enter and take full possession of all of the particular Project Area or Project Areas in connection with which the Redeveloper is in default and all buildings, structures, improvements and equipment placed thereon by the Redeveloper, or his agents or employees or tenants, by force or otherwise, without any other or further notice, and with or without legal process to eject, expel, oust and remove any and all parties who may occupy any part of any of said buildings, structures or improvements and any and all goods and chattels not belonging to the City that may be found within or upon the same, and without being liable to prosecution or to any claim or claims for damages therefor. Further, in the event of any such termination, each and all of the buildings, structures, improvements and equipment placed on the particular Project Area or Project Areas in connection with which the Redeveloper is in default by the Redeveloper, or his agents or employees or tenants, shall be and become the sole and absolute property of the City without the payment by the City of any monetary or other consideration therefor. The Redeveloper, its agents, employees and tenants, shall not have or make any claim against the City, its agents and representatives, by reason of, or in connection with, any such termination or any act of commission or omission incident thereto.

(g) In the event the Redeveloper remains in possession of all or any part of any particular Project Area, or any of the buildings, structures, improvements or equipment placed thereon, after this Agreement has terminated for any reason as to any particular Project Area, then the Redeveloper shall pay to the City as liquidated damages therefor, and not by way of penalty or in the nature thereof, for each day of such detention at a rate equivalent to the yearly rental and all amounts of money to be treated as rent under this Agreement to be paid by the Redeveloper in connection with the particular Project Area, divided by the figure one hundred and twenty (120). The payment to, and the acceptance by, the City of any and all sums of money under the provisions of this Section (g) shall not be taken or construed in any manner

or in any way to set aside or waive any termination of this Agreement as to the particular Project Area or grant to the Redeveloper any new rights therein.

(h) In the event the City enters or takes possession of the particular Project Area or Project Areas in connection with which the Redeveloper is in default and all buildings, structures, improvements and equipment placed thereon by the Redeveloper or its agents and employees or tenants, as provided in this Paragraph 2, then the Redeveloper nevertheless shall be and remain fully liable to the City for any and all rent and money to be treated as rent under the provisions of this Agreement due or accrued to the date when the City takes possession of the particular Project Area or Project Areas as aforesaid and for any and all matters and things for which the City is or may become liable in connection with, or resulting from, any act of commission or omission, by the Redeveloper.

3. (a) In the event the City at any time for any cause or reason fails to well and faithfully perform, observe and comply with any of the terms, covenants, provisions and conditions contained in this Agreement to be performed, observed or complied with by the City in connection with any particular Project Area or Project Areas, and the Redeveloper is not in default in connection with the same Project Area or Project Areas, and the City fails to perform such terms, covenants, provisions and conditions within sixty (60) days from the date of receipt by it of a written notice from the Redeveloper informing the City of its failure so to perform and of the intention of the Redeveloper to terminate this Agreement in its entirety as to the particular Project Area or Project Areas in connection with which the City is in default in the event the default complained of is not corrected or cured within the said sixty (60) days period, the Redeveloper may terminate this Agreement in its entirety as to the particular Project Area or Project Areas in connection with which the City is in default, unless said sixty (60) days period is specifically extended in writing by the Redeveloper, by twenty (20) days written notice to that effect. The City, acting through the Commission, within ten (10) days after the date of any such sixty (60) days default notice, may in writing request to be heard by the Redeveloper relative to the subject matter of the notice and the Redeveloper shall grant the City, acting through the Commission, an opportunity to be heard by it within ten (10) days after receipt of such written request. The Redeveloper, within seven (7) days after said hearing has been completed, shall render its decision in writing and send a copy thereof to the Commission. In the event the decision of the Redeveloper is to the effect that the City must correct or cure the default originally complained of, in whole or in part, then the City must do so within sixty (60) days from the date of the original notice of default.

(b) In addition, in the event the City fails to do and perform all of the duties and obligations imposed upon, or assumed by, the City under the terms and provisions of Article I of this Agreement in connection with any particular Project Area or Project Areas, and the Redeveloper is not in default in connection with the same Project Area or Project Areas under any of the terms and provisions of this Agreement, and this Agreement terminates as provided in Section (a) of this Paragraph 3, then the Redeveloper shall have the right to demand repayment, and the City shall pay to the Redeveloper upon such demand, any and all rentals paid by the Redeveloper to the City under the provisions of this Agreement for any particular Project Area or Project Areas in connection with which the City is in default, and a sum of money equal to two (2) times the amount of the annual rental or rentals to be paid by the Redeveloper to the City, as provided by Paragraphs 5 and 6 of Article II of this Agreement, respectively, for the particular Project Area or Project Areas in connection with which the City is in default; any and all of said last mentioned payments in their entirety to be made by the City out of the sum of Twenty-four Thousand Dollars (\$24,000) which was deposited by the Redeveloper with the City under the terms and provisions of Paragraph 31 of Article II of this Agreement.

4. In the event the City's or the Redeveloper's performance of any one of their respective duties and obligations under the provisions of this Agreement as to any particular Project Area or Project Areas is prevented or interrupted by strike, riot, storm, flood, act of God, or any act or state of war or public emergency, or any other cause beyond the control of the City or the Redeveloper, as the case may be, and not caused by any act or failure to act by the City or the Redeveloper, as the case may be, the date of performing such duty or obligation by the City or the Redeveloper, as the case may be, in connection with the particular Project Area or Project Areas shall be postponed for a period of time equal to the number of days the City's or the Redeveloper's, as the case may be, performance of such duty or obligation is so prevented or interrupted.

5. In the event an ordinance of the City authorizing it to acquire all of the property mentioned in Paragraph 1 of Article I of this Agreement is not duly enacted within a period of twenty-four (24) months accounting from the date of this Agreement, then either the Redeveloper or the City, acting through the Commission, shall have the right to declare that this Agreement in its entirety is null and void by giving to the other party thirty (30) days prior written notice to that effect.

6. In the event the City well and faithfully attempts to obtain commitments from the Housing and Home Finance Agency of the United States of America for full capital grants of money under Title I of the Housing Act of 1949, and all amendments thereto, to assist the City in acquiring and preparing Project Areas 1 and 2 in the manner and to the extent contemplated by the provisions of Article I of this Agreement and the City is not successful in obtaining a commitment for full capital grant money as aforesaid for said Project Area 1 (Project Area 2 being specifically excepted) within a period of nine (9) months after the effective date of an ordinance of the Mayor and City Council of Baltimore authorizing the City to acquire the property located in both of the Project Areas 1 and 2, then the City, acting through the Commission, shall have the right to declare, by giving thirty (30) days written notice to the Redeveloper, that this Agreement in its entirety, except as to Project Area 2, is null and void as to Project Area 1 for which the City has not obtained the necessary commitment for capital grant money as aforesaid.

7. In the event the Redeveloper well and faithfully attempts to obtain commitments from the Federal Housing Administration for insurance of a mortgage, mortgages or deeds of trust on the buildings, structures, improvements and equipment to be placed on all of the Project Areas by the Redeveloper and well and faithfully attempts otherwise to make full and complete financial arrangements to aid it in connection with the complete development and improvement of all of the Project Areas, all to the satisfaction of the Commission, and the Redeveloper is not successful in so doing with respect to any particular Project Area or Project Areas by a date at least three (3) months prior to the time when the City is required by the "Acquisition Schedule" mentioned in Paragraph 1 of Article I of this Agreement to have completed the acquisition of all of the land and improvements thereon located in the particular Project Area or Project Areas for which the Redeveloper has not been able to make the aforesaid financial arrangements, then the City, acting through the Commission, or the Redeveloper shall have the right to declare, by giving thirty (30) days written notice to the other party, that this Agreement in its entirety is null and void as to the particular Project Area or Project Areas for which the Redeveloper has not been able to make the aforesaid financial arrangements.

8. In the event any court of competent jurisdiction issues an order or decree which prevents or restrains the City and the Redeveloper, or either of them, from doing or performing any of the acts, matters or things to be done by them, or either of them, under the terms and provisions of this Agreement, and which materially prejudices the City and the Redeveloper, or either of them, in their respective rights, duties and obligations under the terms and provisions of this Agreement, in one or more of the Project Areas, and any such order or decree remains in force for a period of at least thirty (30) days and no appeal from any such order or decree is pending in any appellate court, then the City or the Redeveloper, in addition to any other right of termination herein given to either the City or the Redeveloper, may terminate this Agreement in its entirety at any time as to the particular Project Area or Project Areas which is or are affected by any such order or decree, by giving sixty (60) days written notice to that effect to the other party hereto.

9. In the event the City or the Redeveloper terminates this Agreement as to either or both of the Project Areas under the terms and provisions of Paragraphs 5, 6, 7 or 8 of this Article III, then in any such case, neither of the parties hereto shall have any claim or any right of action, in law or in equity, against the other for any costs, losses, expenses, damages or liabilities incurred or sustained by it in connection with, or resulting from entering into, this Agreement or doing anything in connection with the Project Area or Project Areas, or any part thereof, as to which this Agreement is terminated as aforesaid.

10. Any waiver at any time and under any circumstances by the City of any breach of, or default in, any one or more of the terms, covenants, provisions and conditions of this Agreement by the Redeveloper, whether before or after any suit or judgment has been filed or obtained against the Redeveloper by the City in connection with any of the provisions of this Agreement, shall not be construed to be a waiver of the terms, covenants, provisions and conditions of this Agreement so breached or defaulted or any other part of this Agreement or this Agreement as an entirety, and the acceptance at any time and under any conditions or circumstances of any money paid as rent for any Project Area after any breach or default by the Redeveloper of any one or more of the terms, covenants, provisions and conditions of this Agreement other than a breach or default resulting from the non-payment of any money due as rent, whether before or after notice or knowledge thereof to or by the City, shall not constitute a waiver of any such breach or default.

11. In the event any particular Project Area in its entirety and the buildings, structures, improvements and equipment thereon shall be taken under the exercise of the right of eminent domain at any time during the lease term of any such particular Project Area, then the taxes and rent and money to be treated as rent under the provisions of this Agreement as to such particular Project Area shall be pro-rated and paid by the Redeveloper to the effective date of such

taking and on such effective date this Agreement shall fully terminate as to the particular Project Area involved. In the event any part less than the whole of any particular Project Area and the buildings, structures, improvements and equipment thereon shall be taken under the exercise of the right of eminent domain at any time during the lease term of any such particular Project Area, then the taxes and rent and money to be treated as rent under the provisions of this Agreement as to such particular Project Area shall be pro-rated and paid by the Redeveloper to the effective date of such taking, and after such effective date the rent for such particular Project Area shall be reduced in the same proportion that all of the gross rentals scheduled by the Redeveloper in good faith, and in effect at the time condemnation proceedings are filed, to be received by the Redeveloper for all of the commercial and residential spaces rented or intended to be rented in all of the buildings, structures and improvements on the portion of the particular Project Area so taken is to the total sum of gross rentals scheduled by the Redeveloper in good faith, and in effect at the time condemnation proceedings are filed, to be received by the Redeveloper for all of the commercial and residential spaces rented or intended to be rented in all of the buildings, structures and improvements standing on the entire particular Project Area at the time condemnation proceedings are filed.

In the event that the entire or any part of any particular Project Area and the buildings, structures, improvements and equipment standing thereon shall be taken under the exercise of the right of eminent domain at any time during the lease term of such particular Project Area, the interests of the City and the Redeveloper shall be dealt with according to law, except as otherwise specifically provided in this Paragraph 11.

12. It is mutually understood and agreed that nothing contained in this Agreement is intended or shall be construed in any manner or under any circumstances whatsoever as creating or establishing the relationship of co-partners, or creating or establishing the relationship of a joint venture, between the parties hereto or as constituting the Redeveloper as the agent or representative of the City for any purpose or in any manner whatsoever.

13. It is understood and agreed that the City is a municipal corporation and can exercise only those powers granted it by law, and that in the event the City is prevented, restricted or delayed in the performance of any of the duties and obligations imposed upon it or assumed by it under the terms and provisions of this Agreement, as the result of any legal proceedings, it shall not be liable for any costs, losses, damages, injuries or liabilities caused to or suffered or incurred by the Redeveloper or any other legal entity in connection with, or as the result of, any such prevention, restriction or delay.

14. In the event that at the termination of the sixty (60) years periods mentioned in Paragraph 1 of Article II of this Agreement, the Board of Estimates of the City, acting upon the recommendation of the Commission, determines that the buildings, structures, improvements and equipment then standing on all, or any portion of, the Project Areas have a further useful life for substantially the same purposes for which they are then being used and that the public interest will be best served by the continued use of such buildings, structures, improvements and equipment for such purposes, the Redeveloper shall be given the first opportunity to negotiate with the City, acting through the Commission, for the right to continue to use all, or said portion of, the buildings, structures, improvements and equipment then standing on the Project Areas for such additional period or periods of time and upon such terms and conditions as may be determined by the Commission; provided, however, that the annual rental or rentals to be paid by the Redeveloper to the City for any such additional period or periods of time shall be a sum or sums of money mutually agreed upon by the parties hereto, but in any event said annual rental or rentals shall be a sum or sums of money at least equal to four percent (4%) of the then current market value of the land in the Project Areas, or any part thereof, covered by any renewal agreement, exclusive of the value of the buildings, structures, improvements and equipment placed thereon by the Redeveloper and then standing.

15. This Agreement, and any modifications thereof and any additions thereto, shall be recorded among the Land Records of the City of Baltimore, State of Maryland, and the costs of any such recordation and the costs of any and all Federal and State of Maryland revenue stamps which legally must be attached to all or any of said papers shall be paid in full by the Redeveloper.

16. Any and all of the duties, liabilities or obligations imposed upon, or assumed by, either party hereto, by or under the terms and provisions of this Agreement, shall be taken and construed to be cumulative, and the mention of any specific duty, liability or obligation imposed upon or assumed by either party hereto, under the terms and provisions of this Agreement, shall not be taken or construed as a limitation or restriction upon any or all of the other duties, liabilities or obligations imposed upon, or assumed by, either of the parties hereto under the terms and provisions of this Agreement.

17. All remedies provided in this Agreement shall be taken and construed to be cumulative; that is, in addition to any and all other remedies provided herein and to any remedies in law or in equity which either party hereto would have in any case.

18. This Agreement shall be taken and deemed to have been fully made and executed by the parties hereto in the State of Maryland for all purposes and intent.

19. Notices to the City provided for herein will be deemed sufficient if sent by registered mail, postage prepaid, to the Chairman of the Commission and to the President of the Board of Estimates of the City, or their successors in office, Municipal Office Building, Baltimore 2, Maryland, and City Hall, Baltimore 2, Maryland, respectively; and notices to the Redeveloper provided for herein shall be sufficient if sent by registered mail, postage prepaid, addressed to the Redeveloper, 208 E. Lexington Street, Baltimore 2, Maryland; or to such other respective addresses as the parties may designate, in writing, from time to time; and notices sent to the holder of any mortgage or trustee under a deed of trust or the Federal Housing Commissioner provided for herein shall be sufficient if sent by registered mail, postage prepaid, addressed to the address last furnished to the City by the holder of any mortgage or trustee under a deed of trust or the Federal Housing Commissioner, respectively, as provided by Section (c) of Paragraph 2 of this Article III.

IN WITNESS WHEREOF, The Mayor and City Council of Baltimore has caused this Agreement to be signed in its name by the Mayor thereof and its corporate seal to be hereunto affixed, duly attested by its Treasurer; and Waverly Apts. Corp. has caused this Agreement to be signed in its name by its Vice-President and its corporate seal to be hereunto affixed, duly attested by its Secretary, on the day and year first hereinabove written.

ATTEST:

MAYOR AND CITY COUNCIL OF BALTIMORE

/S/ John J. Ghingher
Treasurer

By: /S/ Thomas D'Alesandro, Jr.
Mayor

ATTEST:

WAVERLY APTS. CORP.

/S/ Fred M. Bart
Secretary

By: /S/ Albert Stark
Vice-President

THIS IS TO CERTIFY, That the Baltimore Redevelopment Commission by formal resolution has approved all of the terms and conditions contained in the foregoing contract between the Mayor and City Council of Baltimore and Waverly Apts. Corp. and recommends that the foregoing contract be approved by the Board of Estimates.

BALTIMORE REDEVELOPMENT COMMISSION

/S/ Clark S. Hobbs
Clark S. Hobbs, Chairman

/S/ George R. Morris
George R. Morris

/S/ Sidney D. Cohen
Sidney D. Cohen

/S/ D. K. Este Fisher, Jr.
D. K. Este Fisher, Jr.

/S/ Albert W. Rhine
Albert W. Rhine

Acting upon the approval and recommendation of the Baltimore Redevelopment Commission, the foregoing contract between the Mayor and City Council of Baltimore and Waverly Apts. Corp. is hereby approved by the Board of Estimates this 24th day of May, 1950.

BOARD OF ESTIMATES

/S/ C. Markland Kelly

President

/S/ Thomas D'Alesandro, Jr.

Mayor

/S/ J. Neil McCardell

Comptroller

/S/ P. L. Holland

Director of Public Works

/S/ Thomas N. Biddison

City Solicitor

STATE OF MARYLAND :

: ss

CITY OF BALTIMORE :

I HEREBY CERTIFY, That on this 24th day of May in the year 1950, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City of Baltimore aforesaid, personally appeared THOMAS D'ALE SANDRO, JR., Mayor of Baltimore City, and acknowledged the foregoing Agreement to be the corporate act and deed of the Mayor and City Council of Baltimore.

AS WITNESS my hand and Notarial Seal.

/S/ Walter E. Beuchelt

Notary Public

My Commission expires May 7, 1951

STATE OF MARYLAND :

: ss

CITY OF BALTIMORE :

I HEREBY CERTIFY, That on this 24th day of May in the year 1950, before me, the subscriber, a Notary Public of the State of Maryland, in and for the City of Baltimore aforesaid, personally appeared *Albert Stark*, Vice-President of WAVERLY APTS. CORP., and acknowledged the foregoing Agreement to be the corporate act and deed of WAVERLY APTS. CORP.

AS WITNESS my hand and Notarial Seal.

/S/ Dora Becker

Notary Public

My Commission expires May 7, 1951

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

/S/ Thomas N. Biddison

City Solicitor

/S/ W. H. Marshall

Assistant City Solicitor

APPENDIX "A"

THE FOLLOWING APPEARS ON DRAWING NO. 3-50 ENTITLED "REDEVELOPMENT AREA NO. 1, REDEVELOPMENT PLAN, STANDARDS AND CONTROLS" DATED 7 FEBRUARY, 1950 ATTACHED TO THE AGREEMENT.

In the redevelopment of the lots shown hereon, the following standards and controls shall apply to the development and use of these lots and shall be a part of any contract for the redevelopment of these lots in addition to any and all other terms and provisions of any such contract:

1.) No buildings, foundations or footings shall be placed within the easements indicated hereon which are to be more accurately located upon a survey drawing to be prepared as provided in the contract.

2.) Lots "D" and "E" shall be restricted to garden-type apartments not in excess of three stories high, at a density not to exceed 25 dwelling units per net acre. On these lots off-street parking spaces shall be provided for at least 75% of the dwelling units constructed, and interior play lots shall be provided at locations convenient to the apartments.

Lots "D" and "E" and the buildings and structures to be constructed or erected thereon shall be designed to comply at least with the minimum standards established by the Federal Housing Administration in order for a housing project to qualify for mortgage insurance ordinarily issued by the Federal Housing Administration.

3.) Lots "A", "B", and "C" shall be restricted to First Commercial uses as defined in the zoning ordinance of Baltimore City on the date of said contract for redevelopment. Not more than one-third of lot "B" shall be covered by buildings, and the remaining two-thirds of this lot shall be used for off-street parking, circulation, and landscaping.

4.) Lot "H" shall be used as a decorative landscaped area.



Printed in Municipal Duplicating Bureau